Thomas A Edison Papers

A SELECTIVE MICROFILM EDITION

PART II
(1879–1886)

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START

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A Note on the Sources

The pages which have been filmed are the best copies available. Every technical effort possible has been made to ensure legibility.

THOMAS A. EDISON PAPERS

A SELECTIVE MICROFILM EDITION
PART II
(1879-1886)

REEL 56

DOCUMENT FILE SERIES (DOC-16)

D-80-048 through D-80-049
("Telephone - Foreign - Europe" through "Telephone - Foreign - United Kingdom")

1880. Telephone - Foreign - Europe (D-80-048)

This folder contains correspondence, agreements, incorporation papers, and other documents relating to the business of the Edison Telephone Company of Europe, Ltd. and the Societe du Telephone Edison. Many documents concern the negotiations among the Edison companies and their competitors that led to the establishment of the Societe Generale des Telephones in 1880. Much of the correspondence is by Theodore Puskas, Edison's agent for Continental Europe, and by Joshua F. Bailey, the European representative of the Western Electric Manufacturing Company. Some of the correspondence is in the form of cable messages to and from "Heraclite," a code name used by Bailey. Related material can be found in the Edison Telephone Company of Europe Minute Book (Company Records Series).

All the documents have been filmed except for duplicate copies of selected documents.

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

A. R. BREWER, Sec'y NORVIN GREEN, President.

Dated Menlo Park Jan 2 1880

Received at

To Thomas A Edison
Menlo Park

Will be on eleven
o'clock train Saturday
doctor white died
in Paris on monday
I shall be ready
to go with Galvia on
28th Jany

James H Banker

29 24
11 59 AM

READ THE NOTICE AT THE TOP.

DREXEL, HARJES & CO.
PARIS.

DREXEL & CO.
Philadelphia.

DREXEL, MORGAN & CO.
New-York.

31. Boulevard Haussmann.

Paris 3 Janv. 1880.

Dear Sir,

Compagnie Générale des Téléphones.

Since writing you Dec. 16 as per enclosed press copy, all the legal requirements making your new Power of Attorney operative have been complied with, and the parties interested have been notified of my readiness to act for you the moment they are prepared to have the necessary papers in connection with the new Company executed. - I hear, however, that before the matter is completed they are likely to have several more meetings for the placing of the Shares, formation of Council of Administration, &c.

The matter retains my full attention.

Yours, Dear Sir,
Your obedt. servant,
John W. Harjes

Thomas A. Edison Esq.
Menlo Park
N.J.

Estate of
SAMUEL S. WHITE, Dec'd
Chestnut Street, cor. Twelfth.

Philadelphia, Jan 12 1889

Mr. T. A. Edison
c/o R. L. Cutting Jr & Co.
19 William St.
New York

Dear Sir

Yours of 10th rec'd this morning. We nominate Mr. Henry M. Lewis as a director of the Edison Tel Co. of Europe to represent the Est. of S. S. White Dec'd. Mr. Lewis is one of the Trustees of the Estate and therefore will properly represent the stock.

Yours respy
Trustees Est of S. S. White
R. Coxe

---

np

Jany 13, 80

Cable
Edison

Do you authorise
Harjes take one sixtieth
Puskas interest instead
Roosevelt

Bailey

14 Paris

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

Dated Newport C. Jan. 14 1880

Received at N.Y. @ 1233 pm

To Thos. A. Edison

Menlo Park.

Col - Lewis will be down with me at two o'clock treat with him on a basis of five hundred

Griffin

Hoten

READ THE NOTICE AT THE TOP.

file

Paris
14 Janv 1880.

My dear Sir,

Ten days ago all the parties interested in the Telephone business with the exception of Mr Gower signed the Statutes of the Coy. Today we have arrived at an accord by which Mr Gower will sign tomorrow. This individual has been very much puffed up by the notice that has been taken of his Telephone & has been as troublesome a subject for the last 3 or 4 weeks as our friends Berthon & Puskas were formerly in our Coy. It is quite probable that the money for the Patents will not be paid over until the Statutes shall have been forwarded to you & to Gray for your ratification. This is on account of a technical defect in the Powers of Attorney detected by the Notaries who have drawn up the papers for the formation of the Coy. We shall try to get over this difficulty but it is not certain that we shall succeed. In this case the documents will probably be despatched by Friday (16th) Mail, the same mail with this letter. Barton & Dare making arrangements to commence the working in Belgium. We propose to work Belgium & the Low Countries on a basis of 20% to go for the Patents we (Edison Coy) to furnish 1/3rd of the money, the Western Electric 1/3rd & parties in Belgium 1/3rd, the proceeds to be divided in the same proportions after deduction of the 20% set apart for the Patents. This will give us (Edison Co)

T

45% of all proceeds of the business. No large sum of money will be required to shall begin putting up the Telephone Exchanges with such number of subscribers as can be obtained at the moment & organise the Co afterwards. Whilst I was absent in the States a Mr Nottbeck came from St Petersburg to Paris for the purpose of getting the Electric Light & finding that that was not ready made a Contract with Puskas to introduce the Telephone in Russia. The terms that he agreed to were terms that can never be realised in Russia – That however is his affair & I have written him that his propositions are accepted. He has remitted 2000 francs for the expenses of a person to go to St Petersburg to show the Telephone. If the result of the Exhibition is satisfactory the finds encouragement to go on with it he will then sign the Contract & will commence active operations with a view to forming a large Company. I proposed at first to send Brown 3 or 4 days ago to St Petersburg but he consulted a physician who told him that he would not live more than a few days if he went there. Mr Barton kindly offered to let me have Scrivener but I think a few days hence Scrivener will be much needed here. I have proposed to day to Mr Puskas to go there to make these experiments, and it is pretty well decided that he will go after 3 or 4 days. From Austria we have good reports from his Brother as to his obtaining a privilege from the Government. Parties with whom his Brother has been negociating

sent here 3 or 4 weeks ago a draft of a proposed Contract. The terms of the Contract are however entirely inadmissible I wrote to say that I would leave for Vienna about the 10th of this Month. I hope that matters here will be in such shape that I can leave in the course of next week, so that in the course of this Month we shall be in movement outside of France. Should Mr Banker not have left before this reaches you, will you please send him this letter. I do not write to him directly on account of the uncertainty as to his receipt of a letter & because I know he is too much occupied with Wall Street business to give much attention to matters here. I hope you will be able to send here before very long, models of the lamp I am expect to show them off. There is a great deal of interest amongst Bankers & several of the most important Houses have told me that they are very desirous to buy for the Light as soon as we are ready to propose any plan for operations. I have written to Griffin in this Mail explaining the reasons of the Telegram sent you. I understand perfectly the reasons of your reticence but at the same time it would have been better if the Telegrams had come along more freely either from you or from Griffin, the injudicious use would have been made of them. The persons who are concerned here in the operations on Gas Mas are as careful in regard to being recognised as connected with such operations as you are yourself & you may be sure that I should be especially careful that your name should not be brought in in such way as to associate

it with movements on the Stock Exchange. I hope to be able to write you within the next 3 or 4 days that no delay will be made for the ratification of the statutes by you.

In the meantime, I remain,

Very sincerely Yours,

J. F. Bailey

T. A. Edison Esq
Menloe Park
New Jersey

BRANCH HOUSES.
New York, 767 and 769 Broadway.
Boston, 13 and 16 Tremont Row.
Chicago, 14 and 16 E. Madison St.

SAMUEL S. WHITE,

DENTAL DEPOT AND MANUFACTORY,

CHESTNUT STREET, COR. TWELFTH.

Philadelphia, Jany 16 1880

R. L. Cullingworth, Esqr
Secretary Edison Tel. Co. of Europe
New York,

Dear Sir,

Having read the minutes of the meeting of the Edison Telephone Co. of Europe held on the 14th inst. I write to say that the proceedings have my entire approval.

Yours Respectfully
A. M. Lewis, Director

The Edison Telephone Company of Europe limited hereby reports and certifies as follows:

First: The amount of the Capital Stock of said Company is one hundred thousand dollars

Second: The proportion of such Capital Stock actually paid in is 1/20 to wit - five thousand dollars.

Third: The amount of the existing assets of the Company is the value of its interest in the invention and patents hereinafter referred to the value of which cannot be yet estimated and the nature of such assets is certain interests and titles in and to inventions in and relating to Speaking Telephones and in Letters Patent of European Countries therefor

Fourth The Company has no debts

Fifth The names of the Stockholders of the Company are Thos A Edison, Estate of S S White deceased, Joshua F Bailey, James H Banker, Robert L Cutting and Robert L Cutting Jr

Sixth: The Company has declared no dividend since its organization.

Witness our hands this 16 day of January in the year 1880

(signed) R. L. Cutting Jr
Secretary

" R. L. Cutting

" T. A. Edison

Edison Telephone Co of Europe
Jan 16 1880

T. A. EDISON,

Menlo Park, N. J., January 17 1880.

T. A. Edison
M Park

My Secretary Mr Bown will call upon you today. Will you be able to see him answer

A M Sperrin

Mr Bown

Yours

Edison

For value received I do hereby sell, assign, transfer and set over unto Henry McLewis Ten Shares of the capital stock of the Edison Telephone Company of Europe, limited, and do authorize and empower

or any substitute appointed by him for that purpose to make and execute all necessary transfers of the same on the books of the Company.

Dated this twenty second day of January, 1880

Witness of

S. T. Jones

Chas. W. Dodge.

J. Elsmar White. Executor (Seal)
Estate of S. S. White.

PUBLISHER OF
THE
Dental Cosmos,
A MONTHLY JOURNAL.
Price, $2.50, in advance.

SAMUEL S. WHITE,
Dental Depot,
Chestnut Street, Corner of Twelfth.

PHILADELPHIA, January 24 1880

Mr R. L. Cutting Jr
Secretary Edison Light Co
of Europe

Dear Sir,
The Estate of Samuel S. White holds the assignment of Joshua F. Bailey to Samuel S. White of one undivided equal half part of all his interest in & under a contract made May 2. 1879 between T. A. Edison, Jos W. Sawyer and J. F. Bailey relating to certain Patents issued to T. A. Edison for his Electric Light & its use in Europe
Will you please note this assignment on the books of the Company.
Yours Respectfully
Alex Lewis
for Estate of S. S. White

PUBLISHER OF
THE
Dental Cosmos,
A MONTHLY JOURNAL.
Price, $2.50, in advance.

SAMUEL S. WHITE,
Dental Depot,
Chestnut Street, Corner of Twelfth.

PHILADELPHIA, *Jany 7th* 1880

Mr R. L. Cutting Jr
Secretary, Edison Telephone Co
of Europe

Dear Sir

The Estate of Samuel S. White holds the assignment of Joshua T. Bailey to Saml S. White of Five Thousand Dollars ($5000.00) par value of the Capital Stock of the Edison Telephone Co of Europe will you please note this assignment on the books of the Company.

Yours Respectfully
H M Lewis
Ex Estate of S. S. White

JAMETEL AMÉDÉ.
51, Rue Vivienne.

File Paris, le 28 Jany 1880

My dear Sir:

The fusion is broken up. Have not time to write details today. Write by Friday mail. We shall hold on now.

Yours in haste
J. H. Bailey

Thos A. Edison Esq.

Please ask Giffin to take him to write me the news at Sal.

DREXEL, HARJES & CO.
PARIS.

DREXEL & CO.
Philadelphia.

DREXEL, MORGAN & CO.
New-York.

31, Boulevard Haussmann.

Paris, 29th January 1880.

Dear Sir,

Compagnie Générale des Téléphones.

My last letter was dated the 3d inst.

After having signed at the meeting of the 6th inst, what was then supposed to be the last papers required for constituting the new company, I had hoped ere now, to have been able to report to you a settlement of the affair.

Many difficulties however appeared and frequent meetings followed, the final result of which, I much regret to say, appears to be, that the fusion of the 3 Telephone Cos, in other words the formation of the company, for which, by your power of Atty, you requested me to act in your name, is, for the moment at least, abandoned and each company apparently resumes its former independance.

At the sundry meetings so many legal points came constantly up for discussion, that I thought best to guard your interest by acting under assistance

of legal counsel only, which I have done throughout and I therefore refer for all particulars to his enclosed letters of the 19th, 26th, & 28th inst.

I consider it my duty to add, that although the failure is apparently brought home to Mr Bailey, I have found in him a very intelligent, hard working gentleman, who, it seems to me, did his utmost to bring about what had been promised but who had to overcome not only absence of assistance from those he might have expected it, but even difficulties created by others.

I shall report further to you as occasion offers, meanwhile

I remain, Dear Sir,
Yours very truly.
John Mayes

Thomas A. Edison Esq
Menlo Park
N. J.

[ENCLOSURE]

NEW YORK – BOSTON –
PHILADELPHIA – CHICAGO –
NEW ORLEANS – SAN FRANCISCO –
WASHINGTON – CITY.

Office hours,
from 7 a.m. to 1 p.m.
(Le matin de 7 heures à 1 heure)

Henry Harrisse
Attorney and Counsellor at Law.
30. Rue Cambacérès.

Paris. Janv 19th 1880

John H. Harper Esqr

My dear Sir

New difficulties have arisen — not so much on account of Mr. Gower refusing to bring into the new Society all the telephonic inventions he may make within the next five years (as does Mr. Edison) — which may yet be overcome, but because of Mr. Bailey seeming to me to be unable to furnish the one million of francs which he must bring-in immediately.

I am informed that he can get that sum from Mr. Erlanger or the Crédit mobilier, but apprehends that by so doing he would jeopardize the success of the operation, as in the hands of those parties it would become exclusively a robbing, stock speculating affair.

Mr. Bailey now thinks of forming a separate Company.

Yours faithfully
Henry Harrisse

[ENCLOSURE]

Off file

Paris, 30 rue Cambacérès
January 26th 1880

John H. Harper Esq.

My dear Sir:

I regret to inform you that in the matter of Mr. Edison's Telephones, after five arduous and protracted meetings, we are less advanced than we were when you signed the contract on the 6th inst; and I even apprehend that the matter will fall through with all sorts of complications!

The document which you signed on the 6th was the supposed last link of a long chain of previous agreements which had been signed since October 1879, – all equally binding.

Mr. Gower was the only party, who owing to his being absent, did not affix his name to the contract of the 6th. We then thought that his signature, which had been promised by his own associates, was the only requisite to close up the matter; and that after Mr. Edison had sent you the supplementary power of atty which had been then considered indispensable, you would be placed at once in possession of 200,000 fr. in money and 166,666 fr. in shares to be disposed of according to the

[ENCLOSURE]

instructions contained in Mr. Edison's letter to you of the 21st of November.

This was a sad mistake!

Admitting that all the parties had come to an agreement and signed the contract of the 6th, the parties who act for and with Mr. Edison were then bound to subscribe and pay up in instalments, shares to the amount of one million of francs, most of which sum had to be forthcoming immediately. Now, not only the money on our side was not then ready, but it is not ready to-day, nor do I know where it is to come from!

I am tired that the "Crédit mobilier" has offered the money to Mr. Bailey who refuses to accept the terms on which the money is to be supplied, 1st because it turned over the entire matter in the hands of that Institution, and because at once the basis of stock jobbing operations; 2d, because Mr. Edison's interest would have to be transferred at a price considerably less than had been first agreed.

But that as it may, Mr. Sawyer has been fighting throughout and refused to sign on the plea that a certain clause in the contract of the 6th might be interpreted as binding him to give the Company, without indemnity, not only all his present telephonic inventions with future improvements

[ENCLOSURE]

relating thereto, but also all the telephonic inventions he might make in the future, whether they were like or pertaining to the "Gower Telephone" so called, or different from that instrument.

To conciliate matters, I took upon myself, in your name, to go to the whole extent of the agreement of the 20th of September 1879, which Mr Bailey handed me last week, viz: to give without indemnity the benefit of Mr Edison's future telephonic inventions for Five years, and the preference for the 10 years following.

The other members of the Fusion, have accepted these terms, but Mr. Gower has not yet done so, although he now seems disposed to accept it, with certain slight modifications.

But suppose he does, and that at the next meeting which is called for Tuesday 27th inst. all the parties sign the final documents; how will we perform the second part of the contract, that is, furnish then and there the million of francs?

Mr Bailey informs me that he is negotiating still with moneyed institutions and may yet succeed. But that in case he does not, will back off, or even retire from the Fusion, stand the risk of an action for damages on the part of the other parties, and at once start a separate company, which he is very

[ENCLOSURE]

now preparing, on the basis of the Edison Telephone alone, or perhaps, in competition with Sauerin's.

In this case, another complication will spring up. All the Edison patents are pledged to the "Commanditaires", who in the first instance have advanced the 230,000 fcs (Bertin, Dr. Evans &c &c &c) which have enabled Mr. Bailey and friends to keep the Edison Telephone before the public, make experiments, manufacture instruments &c &c &c.

Something unexpected may turn up at the last moment and alter the present aspect of the case; but I am free to say that my hopes and expectations are not very sanguine.

Yours faithfully

Henry Harrisse

of Counsel

Harrisse and Harrisse Telephone matters

Received Paris January 19th 80
" 28th "
" 29th "

[ENCLOSURE]

NEW YORK - BOSTON -
PHILADELPHIA - CHICAGO -
NEW ORLEANS - SAN FRANCISCO -
WASHINGTON - CITY.

Office hours,
from 7 a.m. to 4 p.m.
(Le matin de 7 heures à 4 heures)

Henry Harrisse,
Attorney and Counsellor at Law.
30, Rue Cambacérès.

Paris, January 28th 1880

John N. Narjes. Esqr. Paris.

Dear Sir

As I apprehended in my report of the 26th inst. the failure of the "Fusion" of the three Telephonic companies is now complete. It was so decided by them at yesterdays' finale meeting. The cause is Mr. Bailey's inability to raise his share of the capital, viz one million of francs.

We now revert to first principles, the three telephonic associations resuming their former independance, and dividing among themselves the cost of the attempt, which however, does not seem to be large. The money for said expenditures was advanced last October by the Crédit mobilier. I know not what share will fall on the Edison party.

On the other hand, I gather from a prospect for liquidating the original association between Mess. Berthon, Chatard, Puskas-Bailey

[ENCLOSURE]

and Dr. Evans, - which, I think, holds the Edison French patents of as a guarantee for fcs. 100000 advanced to Puskas & Bailey -, the latter have to return 66,666 fcs as their returnable share of the said 100,000 fcs, and besides, 13,667 fcs, as their share of money expended.

To these various sums will have to be added my expenditures and fees - which I shall set at a very low figure, owing to our poor success, notwithstanding the efforts of

Yours very truly

Henry Harrisse

Paris Feby 5-1880
E. M. Barton
No answer

Paris Feb. 5, 1880.
47 Rue de Berri.

T. A. Edison. Esq
Menlo Park. N.J.

Dear Sir:—

The condition of the Telephone business here is not so bad as it might be nor so good as it might be.

Bailey is making a most plucky fight, and thinks he is going to pull through. He has about 80 subscribers with 15 connected in an exchange, and the other wires building as fast as possible. He gets three or four new subscribers a day, with a fair chance of increasing the rate as soon as his men get the hang of it. He has excellent names so far on his list.

The other people together have about 225 subscribers. They have at present the most money the most wires the most employees. But Bailey has the advantage of having an exchange in actual operation, whereas the other people have nothing that you could call an exchange, although they have switchboards and cables and things enough about their place for a dozen exchanges. I have heard it said by people

who are good judges that they will have to throw away everything they have got before they will be able to work an exchange with 50 subscribers.

How long they will be finding out what a telephone exchange is remains to be seen. They will work like beavers, and they have some good people among them.

My confidence in the success of the Edison Exchange rests in the good work that Bailey himself does, and in the merits of the instruments.

They will have a few wires over buildings but the bulk of them must go under ground That means static induction and induction from telegraph wires. The Roosevelt Gower Sowlwin people have the Gower telephone and the Blake transmitter.

When you have killed the induction from one wire to another, and have your wires in lead pipes or iron pipes or hanging on the wall of a sewer you have cut down your margin a great deal. It is under these circumstances that the Edison transmitter shows at its best by the side of the Blake.

I find so many drawbacks in the matter of starting a shop here that I am much inclined to come home and talk it over more fully before incurring any expense in the matter.

It is no use to start in here unless we do it on a large scale, and I am not sure we want to do it.

I am remaining here and doing what I can to help Bailey in the Electrical side.

If he had not wished me to stay I should have gone along to Italy and Germany before this time and perhaps have gone on home.

I dont see that it was any fault of Bailey's that the fusion did not go through. He worked hard for it.

If he weathers the next few weeks I am in hopes to see him in as good a position as he could have held if the fusion had not failed. For some time after I got here there was apparently no ground for doubting that the fusion was sure. They had meetings and signed the act of incorporation but the big bankers seemed to get jealous of each other and it failed. Yours truly Em. Barton

2. Cable Orly 1/1/85
Edison
Menlo Park
N.J.

Cable me Rawlins address
Cable him just direct
communication with
me. and get line
[illegible]
Keller.

Bailey
21 Cents

[TO JOSHUA F. BAILEY]

✓ Cable Feby 11, 80.

Heraclite Paris

Care Drexel Harjes

Menlo Park N.J.
Feby 11, 80

Stephen & co

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

A. R. BREWER, Sec'y. NORVIN GREEN, President.

Dated New York July 17 1880

Received at 1253 PM

To Thos Edison

Banker cables this morning French telephone company failure measures taken for liquidation assign your interest to Edison telephone Company limited and send here to me I will with New Company protect your interest in full also Whites estate. Notify Lewis Philadelphia do same — answer by telegraph

N. B. Meeker

46 paid

H. T.

READ THE NOTICE AT THE TOP

[TO JAMES H. BANKER]

T. A. EDISON.

Menlo Park, N. J., Feby 17 1880

Meebank Paris

Drexel Harjes have my Power attorney I can do nothing from here it is too complicated see Harjes

Edison

21 M Park
307 Pm 9 Ho

3 Cable

Feby 17. 80
4 15 pm

Edison
Menlo Park NJ

Wait important Cable
tomorrow or day after
advise White
Bailey

13 Paris
Direct
No 9

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

This Company TRANSMITS and DELIVERS messages only on conditions, limiting its liability, which have been assented to by the sender of the following message.
Errors can be guarded against only by repeating a message back to the sending station for comparison, and the Company will not hold itself liable for errors or delays in transmission or delivery of Unrepeated Messages.
This message is an UNREPEATED MESSAGE and is delivered by request of the sender, under the conditions named above.

A. R. BREWER, Sec'y. NORVIN GREEN, President.

4

Dated Paris 2/19 188 0

Received at Via Newyork

To Edison
Menlo park

Shall cable
tomorrow
Bailey

3 paid
Larsen
8,14 pm

READ THE NOTICE AT THE TOP.

np

Paris
Via N.Y. Feby 20, 80
9 45 P.M.

Edison
Menlo Park N.J.

Since February first have personally furnished funds expenses avoiding judicial liquidation which would sacrifice everything hundred twenty in Paris Exchange commencing Marseilles Bordeaux New strong parties entering paying out former special mail accounts liquidation twenty third Cable plan organization Sunday Monday advise white

Bailey

48

Paris 22 February 1880.

My dear Sir:

Enclosed herewith you will find sheet showing the liquidation of the Soc. du Tél. Edison, from which you will see that there is a loss to the owners of the patents, up to Feby 1. current, of 67,000 francs. By the conditions of our contract the losses and profits are equally shared, so that our special partners are entitled to have re=turned to them the amounts paid in, less 67,000 f. — If we make an amicable liquidation we can get control of our patents and go on with our business. If we make a judicial liquidation our business is stopped and it is good bye for the Telephone business not only in France but in all Europe for us. In a judicial liquidation our patents are sold to the highest bidder for the term of 2 years from last Dec. If the business were stopped and the patents put up as in this case, they would probably be bought in by the Credit Mobilier for a song and at the end of the two years they would be worth nothing to us.

When the fusion broke there was no one in our Company that would put up a cent to go on with the business, and we had debts due the Government and others which there was no money to pay. I went to Mr. Hayes and borrowed 10,000 fcs on the security of E.L. stock standing to me. I paid 8000 f. of debts and took the direction of the business with 2000 f. to fight two millions and a half. Neither Mr. Bethon nor Mr. Pusker have made any opposition to me up to the present time. I secured Mr. Bethon's acquiescence by an arrangement to buy him out. Mr. Roosevelt was still in the company, and represented 2/3 of the special partners interest. The Credit Mobilier desired to buy him out and this would have forced us into a judicial liquidation. I traded with Roosevelt for his interest at 70,000 fcs, seven thousand more than par. Net 20,000 less than it had cost him. — 25000 fcs of this amt was payable on or before the 14 inst. The 2000 fcs of capital with wh. I commenced was on the 14 inst reduced to 200 fcs, and inside the 25000 to Roosevelt there was 2000 for sundry bills to pay. I went to Mr. Hayes and arranged with him for 40,000 fcs additional on the security of one share of E.L. of Europe, the whole of my individual interest in the French Company and one half of my interest in the Ed. Tél. Co. of Europe, with the obligation to repay him by the 14 Aug 100,000 f for the 60,000 in redemption of the above. The circumstances in which all our interests were, made the hypothecation a desirable one if these interests are worth anything and if they are not it is a bad one for Mr. Hayes. There was probably no other person in Paris who would have done it on the same terms. When the fusion broke we could not have taken 50,000 f for the whole of our French patents, I believed that you and all other parties interested would accept your part in the hypothecation if it were the means of saving us from judicial liquidation, and I risked all my interests on that, for the common interest.

Since I took the business, (the 1st February) we have increased our list of subscribers from 62 to 120. The names added to our list are from among the largest Banks and most important business Houses, such as Banque d'Escompte, the Bon Marché, The Magasin du Louvre, the Credit Foncier of France, Hachette etc, etc. Our opponents have together 180, no considerable increase on the number when we were together. Besides this in company with Mr. Burton we have made a move in Marseilles, where we have already about forty to fifty subscribers engaged, and in Bordeaux where we have also made a good beginning, Mr. Burton telling Mr. Seribner to go there. We hope to begin in Lyons in this week.

The question that I desire to submit to you and the White Estate is whether you desire me to go on, and to support me in my effort to save your interests and to make them valuable, or whether you desire to give them up to wreckers. You cannot be parties to new struggles and quarrels over your interests without sacrificing both yours, and mine, while I put up to save yours, ~~or make or more~~. If you weaken me, by giving your power or your countenance, here in France, to outsiders you will not only sacrifice your European interests, ~~but yours~~. The Edison interests here can't support any more interstine wrangling. Mr. Hayes has now a solid interest in the success of the Telephone ~~interest~~ France. If you will call on Mr. Rabbi he will tell you what Mr. Hayes' judgement is of my work and situation. — If you or the White Estate have done anything that would either take Mr. Hayes representation of your interest from Mr. Hayes, or the White from ~~mine~~ me, you should cable to the contrary if you have any confidence in the representations here made.

We are now in negotiations with new parties to take up the business, and the business in the last three weeks has made friends and gained support. I shall cable you tomorrow evening again. I cabled you Friday writing a brief resume of the situation in hope of preventing action on your part that would be contrary to all our interests.

I think you will see that the only case in which you are in danger of any liability on account of the French business, is in that of its falling into a judicial liquidation through interference and embarrassment thrown in the way of the efforts now being made to save it. These efforts have already given it a value sufficient to clear all parties from liability. I hope for the support that will enable us to do a good deal better than that.

Yours truly,

J. F. Bailey

Thomas A. Edison Esq
& Mr. Lewis.

[ENCLOSURE]

Société A. Berthon & Cie dite du Téléphone Edison.

Actif social :

Apports par MM. Bailly & Pinkas pour le prix de deux actions restant à courir de la jouissance de Berthon & qui le représente en nature 66.667,
Cautionnement 45.000.
Matériel, Mobilier, Marchandises, Bail et apport avances obtenus à forfait . . . . . 50.000.
161.667.

Passif social :

Dû par Bain 65.000.
dû à Fusion . . . 7.500.
dû à Bain . . . . . 16.067.
Appointements du Gérant à fin Juin 1880 6.000.
Imprévu . . . . . 1.500.
95.667.

L'actif net reste donc de 66.000.

Liquidation des droits sociaux :

Mess. Bailly & Pinkas représentant les apports . . . . mémoire
La société apporte ses apports immobiliers . . . 200.000.
L'actif net étant de 66.000.
Il existe donc un perte de 134.000.
Aux termes de l'article 10 de l'acte de Société, Messieurs Bailly & Pinkas supportent la moitié de la perte ci. 67.000.
Plus : retablit à l'actif . 66.667.
133.667.

Savoir : 1/3 par M. Bailly ci. 44.555.67
2/3 par M. Pinkas à 89.111.33.

Chiffre égal

La société apporte encore : la jouissance ci 133.000.
ou 66.50 % dans le 200.000 Francs jouissance
Savoir : 1° Retirer son actif 66.000.
2° La somme à verser par MM. Bailly & Pinkas pour la moitié dans la perte 67.000.
Chiffre égal 133.000.

La dite société apporte supportant la moitié de la perte ci . . . . 67.000.
Total égal à leur apports 200.000.

Si l'actif social est attribué pour la moitié à Berthon estimé ci. depuis 161.667.
A quoi s'ajoute la somme par MM. Bailly & Pinkas pour moitié de la perte ci 67.000.
Il reste à distribuer en payant 228.667.
Ci 228.000 sont à payer comme suit :
A qui de l'actif . . . . . 95.667.
Les capitaux de 200.000 : 66.50 %.
Savoir : à M. Berthon p 25.000 = 16.625.
à M. Bain p 25.000 16.625.
à M. Chalard p 15.000 9.975.
Pour perte de perte
Coûteux p 135.000 = 89.775.
133.000 × 95.667 :
Egalus 228.667 :

Apports par M. Bailly & Pinkas pour moitié de la perte

Actif : 161.667.
Actif : 66.667.
Total : 228.667.

Actif : 161.667.
Actif : 66.667.
Total : 228.667.

3/ Paris
Via New York
February 23 - 1890

Edison
Menlo Park
N.J.

Contracts preparing
submit Harrison
telegram further
advices when necessary
advices whether
14 Cullert Bailey
350

N.+S.W.

11.10 pm

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

A. R. BREWER, Sec'y. NORVIN GREEN, President.

3

Dated Cable 2/24 188 80

Received at 11.07 am

To Edison
Menlo Park New Jersey

READ THE NOTICE AT THE TOP.

Recommend strongly
No interference with
Bailey apprehending
otherwise great loss
to all concerned you
had better telegraph
white estamel and
Gray camel hair

Hayes

28 paris
H.o.f

Paris Feby 24, 80

Harjes -
to Edison

Copy sent to Executors Estate
of Dr S S White Phila
Feby 25, 80

JAMES W. WHITE. J. CLARENCE WHITE. HENRY M. LEWIS.

PUBLISHERS OF THE *Dental Cosmos*, A Monthly Journal. Price, $2.50, in advance.

TRUSTEES OF

SAMUEL S. WHITE,

Dental Depot,

Chestnut Street, Corner Twelfth.

Philadelphia, May 24 1880

Mr T. A. Edison
Menlo Park N. J.

Dear Sir,

Your favor of yesterday is at hand enclosing copy of a Cablegram published.

Much obliged.

Yours Respy
S. S. White
Jas H. M. Lewis

John K. Porter.
Grosvenor P. Lowrey.
Geo. Wales Soren.
Chas Francis Stone.
Geo. S. Hamlin.
Wm. L. Porter.

P. O. Box 1836.

Porter, Lowrey, Soren & Stone.
Attorneys & Counsellors at Law.
No. 3 Broad St. New York.

Feb. 24 188

Dear Mr Edison. Mr George Walker, V.P. of Gold & Stock Co. goes, as you know probably, to Paris in a fortnight as Consul General. He will have unusual facilities for an American, of access & intercourse with influential people in France. I think from one conversation with him & say that he might be useful to you in Paris in respect to your interests there. (Telephone & Electric Light) and that he would be glad to have an interview with you before he goes.

If you could call upon him yourself might it not be advisable for Mr Griffin to meet him in your behalf. Mr Walker does not dislike this and this letter is my own idea.

Yours truly.

G. W. S.

DREXEL, HARJES & CO.
PARIS.

DREXEL & CO.
Philadelphia.

DREXEL, MORGAN & CO.
New-York.

31, Boulevard Haussmann.

Paris, 24 Feb 1880

Dear Sir,

I confirm my last of January 29 press-copy of which herewith.

I understand that Mr. L. H. Bankler has been in Paris the last 8 or 10 days (though he has not called upon me, nor have I met him), and that he advises a Judicial Liquidation of the French Telephone Company.

I consider that such a step would be highly prejudicial to the interests of all parties concerned, as does Mr. Bailey also, who would keenly feel any such step, and expresses himself strongly against such a proceeding.

I requested my Counsel, Mr. Harrisse, to consult with Mr. E. McBarton, at present in Paris, and I believe known to you, and who seems to be au courant of the whole affair, and herewith I hand you the reply Mr. Harrisse makes me thereon. On receiving same this morning I thought best to cable you, as annexed, now confirmed.

Yours, Dear Sir,
Your obedt. Servant,
John W. Harjes

Thos. A. Edison Esq.
Menlo Park.

Paris Feby 1880
Letter from Bailey
to Mr Harjes
French telephone matters

Copy of Telegram.

I recommend strongly no interference with Bailey apprehending otherwise great loss to all concerned you had better telegraph White estate and Fay same effect.

[ENCLOSURE]

NEW YORK – BOSTON –
PHILADELPHIA – CHICAGO –
NEW ORLEANS – SAN FRANCISCO –
WASHINGTON – D.C.

Office hours
from 9 a.m. to 5 p.m.
(Le matin de 9 heures à 1 heure)

Henry Harrisse
Attorney and Counsellor at Law
30, Rue Cambacérès.

Paris, February 24th 1880

John H. Harper Esq.

My dear Sir,

I have been investigating the present condition of the Telephone, and find that Mr. Bailey is struggling hard, skillfully and honestly, single-handed and with fearful odds against him. Whether he will finally succeed in establishing here a company or subscribers enough to make the invention pay, is more than I can say, although Mr. E. M. Barton, with whom I had a long conversation this morning, is of opinion that this can be achieved. But what I am confident of is that if any thing profitable can be made to come out of Mr. Edison's telephonic inventions and patents in France, Mr. Bailey is the only person who can bring it about — no doubt on that point! But he must not be hampered in any way, especially by those who have an interest in the invention; a house divided against itself will fall, is a truism, still more forcible when applied to strangers in a strange land.

[ENCLOSURE]

As for throwing the French Telephone Co. into "judicial liquidation", I have too much respect for our good name in this country and particularly that of Mr. Edison, ever to countenance such a suicidal proceeding. A fair method for the benefit of creditors does exist in France, as they find in the U.S. Even, it amounts to bankruptcy and the action is brought upon a formal and solemn declaration in Court, that the party seeking that kind of relief is unable to pay his debts, and asks the Judge of the Tribunal of Commerce to name a receiver or syndic to collect what assets stand in that person's name in France, which may be available for the benefit of his creditors. At all events, some other plan than that of winding up should be adopted. I should deem such proceeding with all my might, as a duty to save Mr. Edison's name from such a shame.

Mydear Sir:

Paris, 25 Oct, 1880.

Mr Banker arrived in Paris, the 12 inst. I was unable to find where he was, till the 16 or 17. The first interview was devoted principally to an effort on my part to convince him that a judicial liquidation. (in France a declaration of bankruptcy) would be the ruin of the Edwards in France and in Europe. The facts I stated seemed to convince him that at any rate our special partners must be bought off amicably, or otherwise they could force us into judicial liquidation. I proposed to Banker to buy a part of the special partners interest and enter in the French affair. He said it would cost too dear, that he wanted to get in on "hard pan". I told him that he had seen that we couldn't get rid of our special partners except by paying them off. He replied that White Estate & Brown ought to be satisfied if they got off without being called on to pay anything and proposed to me to send a cable to you and the White heirs telling you that liquidation with heavy loss and possible liability was necessary, and told me that he had sent you a telegram to about that effect at noon that day. I asked him whether he desired me to put in anything about new parties desiring to take up the business and furnish money to pay off and go on. He replied "no." It isn't well to put in a hope with the despair". I said. Shall I mention you in the telegram? "Yes, say Banker is informed." I left him at that point, as it looked to me like an attempt to frighten you and the White heirs out of your interest. I cabled you to wait my advices, or to that effect.

I did not visit Banker the day following the above interview, but the next day, I called. —

He received me very rudely and commenced with remarks about the Russian business which had been commenced by Brooks, and complained that I

had not written about it. I told him that when I left the States it was understood that he (Bunker) would call for Newport the 10 Jany. and that it was not worth while to send a contract which would hardly have reached the States, before he would have left on the way here. He replied that he had never said to me that he would leave Newport the 10 Jany. I said that he must be mistaken as I had spoken to you about it & had cabled you at about that date to know whether he would leave. He replied with great violence "that is false I never had any idea of coming here at that time & if you repeat it I'll show you to the door!" From that he went on to say "you and Pusey have neither of you done anything for the business. You are a pair of adventurers that have done nothing but to try to get personal benefits from the business!". From that he passed to electric light speaking of a note of mine for 1200 dollars that fell due the 1st Dec. To that I said that I spoke to him about it in New York, and asked him whether he desired me to arrange it, and that he told me "no let it all be till I come over to Europe". To this he said "that is false. You never said anything to me about the note, & I never said anything of the sort you say to you". I said "Well, Mr. Bunker I don't see that there is any ground for any disagreeable words between us". He said "No I don't want any row anything to do with you, and I am going to call on Dodge, and tell him what you are & what the situation is". There was much more that passed, to the effect that Gray had persuaded Bunker to revoke my power of attorney; that the white estate had signed him their power,

and that you had cabled instructions him to take the Brussels matter as well as all others into his hands. In other words, the supposed Mr. Banker has read what purport to be letters and cables from you making reflections and statements quite different from what I had anticipated from you. Mr. Banker has threatened to put advertisements in the journals to effect that I had no representation of the Union Oil.

27 Feb. I met Mr. Banker at the outset with the utmost cordiality — expressing to find a friend, confided to him without reserve or hesitation the future situation here and urged him to go in with us to make up an organization. Since the interviews of which above given you an account I have not seen Mr. Banker till today. When he came in as though nothing had happened, & talked of Russia and other matters. In Belgium there is a proceeding against the patents & they are in question in Italy & Spain. Your interests require united and intelligent work. Mr. Banker seems to be on a marauding expedition, his first work being to gobble the Brussels business, wiping out you and the White Estate interests and mine. I confess I do not understand your views of business in Europe, if Mr. Banker's movements

represent them. His idea seems to be that he is here to wipe me out — in the first place, By the time he gets through with that job competitors interests will have got a foot=hold in the principal cities of Europe & the Edison will come in where it can get in. Do you think that Mr. Banker by the payment of 60000 has acquired the right to treat the Brussels as exclusively his, & to undertake to carry out such a policy as he seems to be bent on?

I have been in correspondence with good parties in several cities counting on sending experts as soon as Brussels matters should be cleared up a little to commence an exchange. I cannot put Mr. Banker in communication with them, and I am offending & losing them by not carrying & following up engagements made. This is the case in Naples, Genoa, Turin Brussels & Vienna. I had commenced the application for a concession in Belgium with a gentleman that has

been after us for months & who came here six weeks ago. I get a letter from him complaining that I don't reply to his letters, but there is nothing I can do. I will take up this story by the next mail. I have no more time at present,

Yours very truly,

J. M. Bailey

Mr. T. Edison Esq.

BRANCH HOUSES.
New York, 767 and 769 Broadway.
Boston, 13 and 16 Tremont Row.
Chicago, 14 and 16 E. Madison St.

SAMUEL S. WHITE,
DENTAL DEPOT AND MANUFACTORY,
CHESTNUT STREET, COR. TWELFTH.

Philadelphia, Feby 25 1880

Mr. T. A. Edison
Menlo Park N.J.

Dear Sir,

Your favor of yesterday is at hand.

The Trustees have not yet appointed any one to represent the State in Paris. Our communications from Mr. Bailey have been very unsatisfactory & we have failed to gather from them a reasonably intelligent idea of the situation. His recent communications, indicating an entire failure of plans which we understood some time ago were completed, makes the matter still more difficult to comprehend. Mr. Bailey promised to investigate the matter for us & to report fully. We are hoping to hear from him soon.

In the meantime we should be glad to know what you think about it, & to receive any suggestion that you may be willing to make.

Yours truly
S. S. White
per H. M. Lewis

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

A. R. BREWER, Sec'y. 3 NORVIN GREEN, President.

Dated Paris, Via New York 2/20 1880

Received at 9.15 pm. Hoasin

To Edison Menlo Park N.J.

Since february first have personally furnished funds expense avoiding judicial liquidation which would sacrifice everything hundred twenty in Paris exchange commencing Marseilles Bordeaux new strong Burtins entering paying out former special & mail accounts liquidation twenty third cable plan organization sunday monday advise White

Bailey

Hoasin

READ THE NOTICE AT THE TOP.

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

This Company **TRANSMITS** and **DELIVERS** messages only on conditions, limiting its liability, which have been assented to by the sender of the following message.
Errors can be guarded against only by repeating a message back to the sending station for comparison, and the Company will not hold itself liable for errors or delays in transmission or delivery of **Unrepeated Messages**.
This message is an **UNREPEATED MESSAGE** and is delivered by request of the sender, under the conditions named above.

A. R. BREWER, Sec'y. NORVIN GREEN, President.

Dated New York March 3 1880

Received at 1 40 PM

To Thos A Edison
Menlo Park NJ

Can you be here at nine am tomorrow to sign papers necessary for Banker

L W Serrell

14 paid
Re 7

READ THE NOTICE AT THE TOP.

[TRANSLATION FOLLOWS]

Le traité passé avec Monsieur d'Aubergion, le 4 mars 1880, est le premier pas d'une réalisation en rapport avec la valeur de la découverte appartenant à Monsieur Edison.

Mr. d'Aubergion est le frère du deux gendres de Mr. Jenty lequel est la véritable personnalité qui a passé ce traité.

Mr. Jenty, député, propriétaire de deux des journaux le plus répandus en France (le petit journal et la France) membre de la société financière la Banque Nationale, jouit d'une grande notoriété, il est l'alter ego de Mons. Emile de Girardin, et il réunit comme fortune, comme relations et comme influence tout ce qui est nécessaire pour faire fructifier et développer le téléphone Edison, selon le mérite de ce téléphone.

Avec Mr. Jenty, le crédit Mobilier qui patronne le Gaiter et le Souterrin, trouve à qui parler, et les

[TRANSLATION FOLLOWS]

qui ont failli mettre la société précédente à la merci de capitalistes anciens, ne sont plus à craindre.

Avec Mr. Jenty, le Tout-le Monde de la Presse, et le Tout-le Monde de la Finance, sauf le Crédit Mobilier, sont acquis à l'Edison.

Voilà pour le présent et pour l'avenir.

C'est justement parce que Mr. Jenty dispose de tout cela, qu'il a exigé un traité préalable.

Personnellement, il versera 100.000 francs pour permettre à Mr Bailey de faire face à la liquidation de l'ancienne société, et il mettra également personnellement, deux cent mille francs pour la marche provisoire de l'affaire.

Si cette marche provisoire ne répondait pas à son attente il se ferait rembourser son intérêt.

Si au contraire, et il ne peut en être autrement, l'affaire qui depuis la liquidation, et malgré toute entrave, a marché et va s'accroître le nombre de ses abonnements, marche comme elle doit marcher, Mr. Jenty fera une société avec ses amis et ses relations.

L'ancienne société en liquidation aura 40 % du capital social, lequel ne pourra être moindre de 2,500.000f. Ce sera donc 900,000 francs d'actions libérées, au minimum, qui lui seront attribuées.

Ce résultat s'il est obtenu comme rien ne s'y oppose, fera un succès qui fera oublier tous les tracas antérieurs.

Aussitôt la société faite et les brevets validés, il est vraisemblable que la société nouvelle fera tomber le brevet soudeur (Blacke) qui, aux yeux et de l'avis des jurisconsultes, n'est qu'une contrefaçon ou au moins un brevet de perfectionnement du brevet Edison.

Or, la loi Française ne permet au brevet perfectionnement d'exploiter qu'après l'expiration du brevet primitif.

Le brevet Gower restant livré à sa seule force, s'il n'en a pas, tombera d'inanition de lui même.

[TRANSLATION]

T. A. EDISON,

File

Translation

Mar. 4

Menlo Park, N. J., ... 1880.

The last agreement with Monsieur d'Arbeyron, the 4th of March 1880, is the first step towards a realization in connection with the value of the discovered appurtenance of Mr. Edison.

Monsieur d'A- is the brother of two sons-in-law of Mr. Genty which is the true personal feeling which has brought about this agreement.

Mr. Genty, deputy, proprietor of two of the most extensively circulated journals in France, (The Little Journal, and France), member of the Société financière la Banque Nationale, joined to a wide reputation, he is the other of Monsieur Emile de Girardin, and he brings with him his fortunes, relations, and influence

all ~~that~~ which is necessary to make fruitful and develope the Edison Telephone, conformable to the merit of this Telephone.

In ~~With~~ Mr. Genty, the Credit Mobilier which patronizes the Gower and Southern (Cattles a. Tartar) find its match and those who have almost placed the ~~foprier~~ first company at the ~~mercy~~ of envious capitalists have no more to fear. In ~~With~~ Mr. Genty, the ~~and the~~ entire world of the press, and the ~~and~~ entire ~~the~~ world of finance, excepting the Credit Mobilier, are acquired to the Edison.

So much for the present and for the future. It is with manifest justice as ~~than~~ Mr. Genty ~~dispose~~ directs ~~of~~ all this, that he has called for a necessary preliminary agreement.

Personnaly, he ~~has~~ goes on to say 100000 francs ~~to present~~ to reliabee Mr. Bailey to ~~make face to the liquida~~ think of meet the obligations

[2]

~~tors~~ of the old company, and he ~~increases~~ ~~places~~ likewise personally, two hundred thousand francs for the provisional ~~step~~ course of the affair.

If this provisional course ~~expectation~~ does ~~is~~ not ~~answered~~ ~~at~~ his ~~waiting~~ expectation if ~~he~~ make himself reimbursed his ~~will become~~ ~~for~~ interest.

If on the contrary, and it cannot be otherwise, the affair which ~~since~~ after the liquidation and in spite of all trammels has made progress and has seen the number of subscriptions increase, progress as it ought to progress.

Mr. Genty will be a society with his friends and his relatives.

The old company in settling will have 40% of the social capital, which will provide not less than 2,250000 francs. There will be then 900000 francs of indebt-

[3]

educes ~~liberated~~ liquidated at least; which will be assigned to him.

This result if it is obtained there being nothing to oppose it will be a success which will erase all the previous traces.

As soon as the company organizes, the patents bought ~~has bought~~ ~~patents~~; it is likely that the new company will drop the Soulerin (Blake) patent which to all appearances and from the advice of lawyers is only another form or at least a patent of improvement upon Edison's patent.

the French law permits ~~Code Francoise~~ an improvement patent only after the expiration of the original patent.

The Bower patent

~~remaining~~ left to its ~~own of~~ own force, and it has none whatever, will fail through its own inanity.

[TRANSLATION FOLLOWS]

TIMBRE 2/10 EN SUS 1F. 50c

Entre les Soussignés :

M. Joshua Franklin Bailey, demeurant à Paris, Avenue de l'Opéra, N° 45.

Agissant tant en son nom personnel à raison des brevets lui appartenant et ci-après énoncés que comme co-liquidateur de la Société A. Berthon & Cie et encore comme mandataire verbal & au besoin se portant fort de MM. Thomas Alva Edison & Elisha Gray ainsi qu'il sera déterminé ci-après.

d'une part.

Et M. le baron Edouard d'Auberjon, demeurant à Paris, Avenue de la Grande Armée N° 36.

d'autre part.

Ont été fait et convenu ce qui suit :

Licence.

M. Bailey, tant en son nom personnel qu'en nom qu'il agit, concède présentement, avec toutes les garanties de droit, mais seulement sous la condition suspensive dont sera ci-après parlé, à M. d'Auberjon qui accepte, la licence et le droit d'exploiter en France et dans les Colonies françaises, à partir de ce jour jusques & y compris le trente & un Décembre de la présente année, les brevets français dont l'énumération suit :

1° - Le brevet français de quinze ans du dix-neuf Décembre mil huit cent soixante dix-sept, Numéro Cent vingt & un mille six cent quatre vingt sept, délivré à M. Thomas Alva Edison pour des perfectionnements dans les instruments pour contrôler par le son la transmission des courants électriques et la reproduction de sons correspondants au loin, ensemble du certificat d'addition délivré le quinze Janvier mil huit cent soixante dix huit.

Est néanmoins réservé tout ce qui, dans ce brevet, concerne le phonographe.

2° - Le brevet français de quinze ans, du cinq Février mil huit cent soixante dix-huit, Numéro Cent vingt deux mille quatre cent cinquante deux, délivré à MM. Roosevelt & Breguet pour des

JFB.

[TRANSLATION FOLLOWS]

perfectionnements aux téléphones.

Ensemble de quatre certificats d'additions délivrés à M.M. Roosevelt & Breguet les six Mai, huit Juillet, quatorze Septembre & vingt trois Octobre mil huit cent soixante dix huit.

Les dits brevets et certificats d'addition étant devenus la propriété de Mr Roosevelt seul, par suite de la cession à titre de licitation que M. Breguet lui a faite de sa part, suivant acte reçu par Mr Portefin, notaire à Paris, le vingt quatre Novembre mil huit cent soixante dix huit, lequel Sieur Roosevelt a cédé lui-même à Mr Bailey la partie de brevet dont s'agit, ensemble les quatre certificats d'addition s'y rattachant aux termes d'un acte reçu par Mrs Trousselle & Portefin, notaires à Paris le quatre Décembre mil huit cent soixante dix huit.

3°. Le brevet français de quinze ans du vingt Mai mil huit cent soixante dix-huit devant expirer le deux Mai mil huit cent quatre vingt douze, Numéro Cent vingt quatre mille six cents, délivré à M. Bailey pour des perfectionnements dans les téléphones parlants & leurs accessoires.

4°. Le brevet français de quinze ans du Dix Mai mil huit cent soixante dix huit, Numéro Cent vingt quatre mille quatre cent six, délivré à M. Elisha Gray pour des perfectionnements dans les téléphones & leurs appareils accessoires.

5°. Le brevet français de quinze ans du sept Août mil huit cent soixante dix-neuf, Numéro Cent trente deux mille cent trente sept, délivré à M. Bailey pour une composition pour la confection des boîtes de téléphones.

6°. Le brevet français de quinze ans du huit Août mil huit cent soixante dix-neuf, Numéro Cent trente deux mille cent cinquante cinq délivré à M. Bailey pour un système perfectionné d'électromotographe.

7°. Le brevet français de quinze ans du seize Août mil huit cent soixante dix-neuf, Numéro Cent trente deux mille deux cent soixante dix, délivré à Mr Bailey pour perfectionnements dans les téléphones magnétiques.

8°. Le brevet français de quinze ans du dix-neuf Août mil huit cent soixante dix neuf, Numéro Cent trente deux mille trois cent quinze, délivré à M. Bailey pour perfectionnement dans les téléphones à fils, ensemble des certificats d'addition délivrés le quatre Octobre mil huit cent soixante dix-neuf.

[TRANSLATION FOLLOWS]

9°.- Le brevet français de quinze ans, du vingt et un Août mil huit cent soixante dix-neuf, Numéro Ceux trente deux mille trois cent cinquante sept, délivré à M. Bailey pour perfectionnement dans les dispositions et l'agencement des postes en communication téléphonique.

La présente licence comporte le droit d'user pendant le temps ci-dessus déterminé, de tous Certificats d'addition aux dits brevets et même mais seulement pendant cinq ans de ce jour, de tous brevets de perfectionnement qui pourraient être pris d'ici à cinq ans par les breveté M.M. Edison, Gray & Bailey.

Elle comporte également le droit d'user pour le temps qui en reste à courir, de l'autorisation ministérielle donnée pour l'exploitation des dits brevets, ensemble de toutes autorisations nouvelles à obtenir.

M. Bailey s'engage formellement à rapporter dans les trente cinq jours à compter du jour de la signature des présentes, l'acceptation & la ratification par M.M. Edison & Gray de la présente Convention, ainsi que le concours de M.M. Berthon & Puskas, ses anciens co-gérants dans la Société A. Berthon & Cie aujourd'hui dissoute, pour que M. d'Auberjon soit agréé aux lieu & place de la Société A. Berthon & Cie par l'Administration.

Il est expressément convenu que la présente convention ne produira effet que du jour où les dites justifications auront été produites sans qu'aucune partie du prix ci-après déterminé puisse être exigé avant cette époque et qui faute par M. Bailey, en qualité qu'il agit de rapporter les ratifications & concours dont s'agit dans le dit délai de trente cinq jours, la présente convention sera considérée comme non avenue.

Un délai de vingt jours à compter des présentes est accordé à M. d'Auberjon pour se rendre compte de la valeur des brevets ainsi concédés et des procédés employés pour leur exploitation, au cas où les résultats de ses recherches ne lui paraîtraient pas satisfaisants, la présente convention sera de plein droit résiliée sur la simple déclaration qu'il en fera à M. Bailey.

Le dit délai de vingt jours pourra toutefois

J. F. B.

[TRANSLATION FOLLOWS]

être abrégé, mais au gré de M. d'Auberjon seulement si l'acceptation provisoire que M. Bailey ès qualités va demander immédiatement à M. Edison par le télégraphe en attendant la ratification régulière et définitive, lui est représentée avant cette époque.

Vente conditionnelle de mobilier et sous-bail.

Pour faciliter à M. d'Auberjon l'exploitation de la licence qui lui est concédée ci-dessus, M. Bailey, en sa qualité de co-liquidateur de la Société A. Berthon & Cie & de l'agrément de ses co-liquidateurs dont il justifiera sous les conditions énoncées plus haut, lui sous-loue, sauf la condition suspensive ci-après pour la durée de la licence, c'est-à-dire pour le temps à courir à compter de ce jour jusqu'au trente et un décembre prochain, tous les bureaux et ateliers et généralement tous les locaux occupés par l'ancienne Société A. Berthon & Cie dans la maison sise à Paris, avenue de l'Opéra, N° 45.

Ce sous-bail est fait à la charge par M. d'Auberjon, qui s'y oblige :

D'exécuter à la décharge de la Société A. Berthon & Cie toutes les charges et conditions du bail principal, tel qu'il a été consenti par Mde Veuve Desforges & Consorts, aux termes d'un acte reçu par Me Péan de St Gilles notaire à Paris, les seize et trente et un décembre mil huit cent soixante dix-huit et de payer seule le loyer annuel de six mille cinq cents francs fixé au dit bail.

Le tout bien entendu, à partir de ce jour pendant la durée de sa jouissance.

En outre, M. Bailey vend, sous la garantie de droit à M. d'Auberjon, qui accepte, mais sous la condition suspensive ci-après tout le matériel le mobilier industriel et de bureau, les installations, les appareils et fils déjà établis et généralement tous les objets mobiliers lui appartenant en propre et dépendant de la Société dissoute.

Etat détaillé du matériel et appareils (marchandises) sera annexé au présent.

A raison du transport de bail et de la vente conditionnelle ci-dessus, tous les frais généraux, impôts, assurances et autres seront à compter de ce jour et

[TRANSLATION FOLLOWS]

jusqu'à la fin de la licence à la charge de M. d'Auberjon

Comme conséquence et condition de la licence et de la vente et cession de bail, M. d'Auberjon s'oblige en sus du prix ci-dessus fixé à satisfaire à tous abonnements contractés par la Société A. Berthon & Cie suivant état qui en sera fourni et annexé aux présentes M. Bailey déclarant qu'aucun prix d'abonnement n'a encore été reçu à ce jour M. d'Auberjon servira donc les abonnements et en percevra le montant au prorata de la durée de la licence, du jour où l'abonné aura à payer.

M. Bailey pendant toute la durée de la licence devra donner gratuitement son concours et ses soins pour aider à la bonne exploitation de l'affaire. Il ne pourra prendre de congé que d'accord avec M. d'Auberjon.

Prix.

Outre les clauses & conditions ci-dessus, les licence, cession de bail & vente conditionnelles dont s'agit sont consenties moyennant un prix de

cinquante et un mille francs, ci	51,000f.«
M. d'Auberjon devra de plus tenir compte :	
1° des loyers d'avance versés par la Société Berthon & Cie et s'élevant à la somme de quatre mille francs, ci	4.000.«
2° du cautionnement déposé entre les mains de l'administration et s'élevant à la somme de quarante cinq mille francs, ci ...	45,000.«
Soit au total, cent mille francs, ci	100,000f.«

Ladite somme sera payée à Monsieur Bailey, aussitôt que les présentes seront ratifiées par Messieurs Edison & Gray

[TRANSLATION FOLLOWS]

Condition suspensive.

Mr. d'Auberjon se réserve expressément le droit de renoncer aux licence, cession de bail et vente ci-dessus conditionnellement stipulée à quelque époque que ce soit d'ici le trente et un Décembre de la présente année en prévenant Mr. Bailey ès-nous de sa résolution un mois au moins à l'avance.

Un mois après la déclaration que lui en fera Mr. d'Auberjon dans telle forme qu'il jugera convenable, Mr. Bailey ès-qualités qu'il agit rentrera en possession de tout ce qu'il a ci-dessus conditionnellement cédé à Mr. d'Auberjon

Il devra le prendre dans l'état où il le trouvera sans pouvoir rien prétendre de ce chef.

Il lui sera également attribué tout le mobilier industriel, le matériel et généralement tout l'actif créé jusqu'au jour de la dite renonciation, dont il n'aura à payer que le prix de revient

Mr. Bailey devra en outre rembourser à Mr. d'Auberjon, mais sans intérêts, les sommes payées par ce dernier, tant pour prix de sa licence, cession de bail et vente sus énoncée que pour remboursement des loyers d'avance et du cautionnement déposé entre les mains de l'administration.

Toutefois, les sommes dont s'agit ne pourront être exigées que de la manière suivante, savoir: moitié un mois après la dite déclaration de renonciation aux présentes par Mr. d'Auberjon et en un effet à ordre au trente et un Décembre mil huit cent quatre vingt

Mr. Bailey ès-qualités sera tenu de satisfaire pour le temps qui en restera à courir et ce sans indemnité à tous abonnements et engagements généralement quelconques consentis par Mr. d'Auberjon

Promesse conditionnelle de cession ou d'apport en Société de la toute propriété des brevets

Mr. d'Auberjon se réserve expressément la faculté de fonder quand il lui plaira, au cours de la licence ci-dessus conditionnellement consentie telle Société en Commandite par actions ou Anonyme qu'il jugera convenable, mais à un Capital qui ne pourra être moindre que deux millions deux cent cinquante mille francs

A cet effet, il demeure expressément convenu entre

[TRANSLATION FOLLOWS]

les parties comme condition essentielle des présentes qu'à quelque moment que bon lui semblera de ce jour jusqu'au trente et un Décembre prochain M. d'Auberjon pourra à son choix, soit devenir acquéreur de tous les brevets sus mentionnés ensemble des Certificats d'addition avec droit d'user pendant cinq ans de ce jour comme il est dit plus haut des brevets de perfectionnement pour les apporter à la Société qu'il se proposerait de fonder, soit faire effectuer l'apport à la dite Société des brevets dont s'agit avec leurs accessoires par les brévetés eux-mêmes MM. Edison Gray et Bailey.

Dans tous les cas et que l'apport des dits brevets à la Société dont s'agit soit fait par M. d'Auberjon ou par les brévetés eux-mêmes soixante pour cent de la valeur des apports seront attribués à M. d'Auberjon — et quarante pour cent aux brévetés à quelque somme que l'achat soit fait ou à quelque capital que la Société soit constituée.

En cas de fusion de la Société ainsi créée avec une autre Compagnie, M. d'Auberjon percevra soixante pour cent sur les avantages et les brévetés quarante pour cent.

Les frais et enregistrement des présentes, s'il y a lieu, seront à la charge de M. Bailey en qualité.

Fait double à Paris, le quatre Mars mil huit cent quatre vingt.

Lu et approuvé l'écriture:

Lu et approuvé,
J. M. Bailey.

J. d'Auberjon

[TRANSLATION]

BETWEEN THE UNDERSIGNED :

MR. JOSHUA FRANKLIN BAILEY, residing at Paris, No. 45 Avenue de l'Opéra, acting as well in his personal name in regard to patents specified hereafter, belonging to him; as also in the capacity of co-liquidator of the firm A. Berthou & Co.; and also as verbal attorney and representing Mr. Thomas Alva Edison and Elisha Gray, as will be explained hereafter,

party of the first part, and

BARON EDWARD D'AUBERJON, residing at Paris, No. 36. Ave. de la Grande Armée,

party of the second part;

the following agreement has been made :

LICENSE.

Mr. Bailey as well in his own name, as in the names concerned, grants by the presents with all securities accorded by Law, but only under suspensory condition, of which hereafter will be spoken, to Mr. d'Auberjon, who accepts, the license and the right to cultivate in France and in the French Colonies from this day up to the thirty first day of December inclusive, of the present year, the French Patents, as specified hereafter.

FIRST : French Patent for fifteen years from 19th of December, 1877, No. 121,687, granted to Mr. Thomas Alva Edison, for improvements in instruments to control by sound the trans-

mission of electric currents and the reproduction of corresponding sounds in the distance, together with the additional certificate, issued January 15th. 1878. however reserved in this patent all that concerns the Phonograph.

SECOND : French Patent, for fifteen years, from February 5th. 1878, No. 122,452, issued to Roosevelt & Breguet for improvements in Telephones, together with four additional certificates, issued to Messrs. Roosevelt and Breguet, May 6th, July 8th September 14th, and October 23rd.1878.

These patents and certificates having become the property of Mr. Roosevelt alone, in consequence of transfer by way of public sale, made by Mr. Breguet to the former, according to act deposited with Mr. Portefin, Notary in Paris, on November 24th. 1878 ; the said Mr. Roosevelt having transferred to Mr. Bailey that part of this patent, together with the four additional certificates as per terms deposited in an act, received by Messrs. Trouselle and Portefin, Notaries in Paris, on December 4th. 1878.

THIRD : - French Patent for fifteen years, from May 20th. 1878, to expire May 2nd. 1892, No. 124,600, issued to Mr. Bailey, for improvements in (speaking) telephones and their accessories.

FOURTH : - French Patent, for fifteen years, from May 10th. 1878, No. 124,406, issued to Mr. Elisha Gray, for improve-

ments in telephones and their accessory apparatus ;

FIFTH : - French Patent, for fifteen years, from August 7th. 1879, No. 132,137, issued to Mr. Bailey, for a composition for the manufacture of telephone boxes.

SIXTH :- French Patent, for fifteen years, from August 8th. 1879, No. 132,150, issued to Mr. Bailey, for an improved system of Electro Motograph.

SEVENTH :--French Patent for fifteen years, from August 16th 1879, No. 132,270, issued to Mr. Bailey, for improvements in Magnetic Telephones.

EIGHTH : - French Patent, for fifteen years, from August 19th 1879, No. 132,315, issued to Mr. Bailey, for improvements in thread telephones, together with additional certificate, issued October 4th. 1879.

NINTH ; - French Patent, for fifteen years, from August 21st 1879. No. 132,357, issued to Mr. Bailey, for improvements in the disposition and arrangement of lines for telephonic communications.

[TRANSLATION]

The present assignment allows the right of use - during the above stipulated time - of all additional certificates of the specified patents and even , but only during Five years, from this day of all patents for improvements which may be taken out from now for five years by the patentees Messrs. Edison, Gray and Bailey.

It allows also the right of use, during the remaining lifetime_the ministerial authorization given for the use) (cultivation) of said patents, together with all new authorizations to be gotten.

Mr. Bailey binds himself formally within the thirty five days to be reckoned from the day on which the presents will be signed, to produce (or bring) the acceptance and the ratification by Mr. Edison and Mr. Gray, of this agreement, as also have the co-operation of Messrs. Berthou and Puskás, his former co-managers, in the firm A. Berthou & Co., dissolved; that Mr. d'Auberjon may get approved by the administration instead of the firm A. Berthou & Co.

It has been expressly agreed upon, that the present agreement becomes valid only from the day when the mentioned justification will be produced, without any part of the price hereafter determined, being demanded before this term; and that,- if Mr. Bailey and consorts should fail to procure the ratifications and co-operation for which the said delay of thirty five days is fixed;— the present agreement is to be considered void, or not made.

A delay of 20 days to begin from these presents, is allowed to Mr. dAAuberjon in order to inform himself about the value of the patents to be transferred, and the process employed for their cultivation (exploitation.) In case that the result of his investigation should seem not a satisfactory one to him, - then the present treaty as a matter of common right would be annulled on account of a simple declaration, which he would have to give to Mr. Bailey.

The said delay of twenty days could at any time be shortened, but only on requisition of Mr. d'Auberjon, if the provisional acceptance, - which Mr. Bailey and Consorts have to ask for from Mr. Edison by Telegraph until the regular and definite acceptance comes in, will be given to him before that time.

" CONDITIONAL SALE OF FURNITURE AND SUB-LEASE. "

In order to facilitate the cultivation of the license which will be conceded to Mr. d'Auberjon as before mentioned, Mr. Bailey in his character as Co-liquidator of the firm A. Berthou & Co., and in accordance (to be justified) with his co-liquidators, and under the conditions mentioned above, sublets to Mr. d'Auberjon - under the proviso of the suspensory condition hereafter - for the duration of the license, viz: for the time from this day up to the thirty first day of December next, all the offices, studios, work shops and in

[TRANSLATION]

general all localities occupied by the old Company; Messrs. A. Berthou & Co., in the Paris House, No. 45. Avenue de l' Opéra.

This sub-lease is made at the charge of Mr. d'Auberjon who obliges himself to execute, to the discharge of the firm A. Berthou & Co. all charges and conditions of the principal lease, as established by Madame Widow Desforges and Consorts as per terms of a contract depositedn with Mr. Pean de St. Gilles, Notary in Paris, the 16th and 31st December 1878, and to pay the annual rent of 6500 francs, for said lease.

It is understood thatb this has to begin from this day, for the duration of the enjoyment of the lease.

Moreover, Mr. Bailey sells, being lawfully entitled to it , to Mr. d'Auberjon who accepts, but under the suspensory condition hereafter mentioned, all the material, the industrial and office furniture, the installations, the apparatus and lines already established and in general, all the moveable objects belonging to himself and as dependencies of the dissolved company.

Detailed Specification of the materials (merchandise) shall be annexed to the presents.

All general expenses, taxes, insurance and so on, to begin from this day and running up to the end of the license and in proportion of the transfer of the lease and the conditional sale as before said, at the charge of Mr. D'Auberjon.

In consequence of and as a condition of the Lease, Mr.

d'Auberjon beyond the price fixed, binds himself to fulfill all contracts which have been signed and entered into by the firm A. Berthou & Co., according to specifications, which will be furnished and attached to the presents.

Mr. Bailey declaring : that no money whatever for entered contracts having been received, Mr. d'Auberjon therefore will have to satisfy the contracts and to draw the money for them in proportion of the duration of the license and the day where the subscriber of the other party will have to pay.

Mr. Bailey binds himself to dedicate without any remuneration his co-operation and his endeavors during the duration of the license in order to contribute to the good cultivation of this affair.

He will not be allowed to take his leave unless in accordance with Mr. d'Auberjon.

P R I C E.

Under the above clauses and conditions ; the license transfer of lease and conditional sale , treated heretofore , have been agreed upon to average a price of Fifty One Thousand francs, say.....Francs 51,000.00

Mr. d'Auberjon furthermore will have to be indebted for :

FIRST :The rent paid in advance by the firm Berthou & Co., amounting to the sum of Four Thousand Francs, i. e.....Francs 4,000.00

SECOND :The deposited guarantee, paid into the hands of the administration and amounting to the sum of Forty Five Thousand Francs--Francs 45,000.00

Total;Hundred Thousand Francs 100,000.00

The above named sum has got to be paid to Mr. Bailey, as soon as the presents will be ratified by Messrs. Edison and Gray.

S u s p e n s o r y C o n d i t i o n.

Mr. d'Auberjon expressly reserves himself the right to renounce the licenses, transfer of lease and conditional sale stipulated, at any time from now to the thirty first day of December, of the present year, by giving notice of his resolution to Mr. Bailey at least one month before.

One month after the declaration which will be made by Mr. d'Auberjon in any style which he will deem suitable, Mr. Bailey and consorts will re-enter the ownership of all that has heretofore been conditionally transferred to Mr. d'Auberjon.

He will have to take it back in the State in which he will find it, without being entitled to pretend anything from this gentleman.

In the same manner all the industrial furniture, the material and in general all the active fund up to the date of the mentioned renunciation will be attributed to him, regarding which renunciation he will have to pay nothing but the return price.

Mr. Bailey and Consorts will be held for the still running time and without any indemnity, to satisfy all contracts

and engagements, which Mr. d'Auberjon may in general have consented to.

CONDITIONAL ASSIGNMENT OR CONVEYANCE TO A COMPANY OF THE WHOLE OWNERSHIP OF THE PATENTS.

Mr. D'Auberjon reserves himself expressly the power to form, whenever it shall please him, in course of the conditional license heretofore granted to him, a stock or anonymous company as he will deem more convenient, but with a capital of Two Millions Two Hundred and Fifty Thousand Francs (2.250,000.00 Francs.)

For this purpose it has been expressly agreed among the parties, as an essential condition of the presents, that, at any moment which he thinks good, from this day up to the thirty first day of December, next, Mr. d'Auberjon according to his option can become the owner of all the patents mentioned, together with the additional certificates, and with the right of use, during five years from this day, as it is said before, when speaking of patents for improvements, in order either to convey same to the company which he would undertake to form himself, or to have the conveyance of the patents with their accessories, made to the said company, by the patentees, Messrs. Edison, Gray and Bailey themselves.

[TRANSLATION]

In all cases, and the conveyance of said patents to the company in question, being made by Mr. d'Auberjon, or by the patentees themselves ; sixty per cent of the value of the stakes or conveyances have to be attributed to Mr. d'Auberjon and forty pre cent to the patentees, of whatever sum for which the purchaser be made, or of whatever capital for which the Company be constituted.

In case of a union of the company so formed with another company, Mr. d'Auberjon has to get sixty per cent on the advantages, and the patentees forty per cent.

The expenses for and the registering of, the presents, if it takes place, go to the charge of Mr. Bailey and consorts.

Executed in two copies, in Paris, the fourth day of March One Thousand Eight Hundred and Eighty.

Contents Approved :

sig. J. F. BAILEY.

Contents approved :

Sig. E. D'AUBERJON.

MS
Hon Geo Walker
Ans Mch 6 80

139 East 34th St.
March 5 '80

Dear Sir

I sail for Europe on the 11th, to take my place as Consul General at Paris. I have had some talk with Mr Gray & Dr Hewitt upon

Revolution

about lending
after their Tele-
phone interests
in Europe, & I shall
probably do so.
Do you not want
me to do the
same for you?
My position will
be exceptionally
good & my ac-
quaintance with
leading men in
the French Govt.
with influential
people in Holland
Belgium Austria
& Germany would
enable me, I
think, to be useful
to you & to serve
my own interests
at the same
time. I think
I could help to
bring about a com-
bination

in France for which valuable concessions could be secured. I am in excellent relations with the Red Heads as with the Roosevelts. I am desirous to discuss this with me. Can you come to meals on Monday if you will telegraph me to do so

Yours truly
Geo. Walker

Paris 5 March 1880

My dear Sir:

Under date of 22 Feb. I advised you of what was passing in French matters, and cabled you subsequently. Mr. Harrisse has to-day remitted you a copy of the contract which has been under consideration during several days, and which was signed last night. Enclosed with this you will find a copy of list of Paris Subscribers. We have treaties under way with the Chamber of Notaries, with the agents of Change (Bourse) and others which assure us today more than 200 subscribers. When we were in the fusion we stood Roosevelt 104, Soulerin 120, Edison 62. Today we are, Roosevelt & Soulerin 180, Edison 1 with others as above stated that are agreed on and which will go on our lists within ten days. Enclosed is a card with list of lines already working, four added yesterday & today, 16 more for work soon. — I cannot take time to write you very much in detail about the business represented in the contract this mail, I shall send enclosed a memorandum which Mr. Rousseau has just sent here. — His note as to the persons interested in the affair is not complete because he has not given attention to that side. Besides Mr. Jenty, there are at present the Bank Franco Egyptienne which probably will have one half interest. It is decided that it enters but Mr. Jenty has not decided what portion to allow them. Also Mr. Erlanger, and other names you will see by Monday's mail. You should go to Condert Brothers 69 & 70 William St. for satisfying the contract. They have blanks with the proper form of satisfaction. — It is agreed that a telegram from Condert Brothers to the person who has remitted the contract ~~that~~ to effect that you have notified the contract, shall be accepted as a satisfaction

here, and the sum of 100,000 f. be paid over to aid in our liquidation. — In addition to this Mr. Jenty gives us a credit of 2,000 to pay expenses during the time that we are waiting for the ratification, during the last ten days I have been very close run for money to get along, and was obliged to draw on you for aut to pay off Charley's bills, for which Mr. Parker showed me your letter agreeing to pay. The efforts I have made have succeeded but the game was a desperate one, and it would have finished me if it had been lost. — The Gower-Boulton are now endeavoring to resume a treaty for fusion. But we will drive them off the field, or when we make a fusion it will be after a surrender. Our position in the business is better than under our old treaty. We have 40% in the affair now. While under the old we stood with 1/4. I cannot go into detail on financial side today, but will give you detail of that Monday mail. I hope you will go out to London as soon as you receive this; or at least to Lowry's and not allow more than a couple of days to pass before acting. Mr. Harris does not believe in the telephone, so that he will not give you perhaps a very encouraging view of the situation generally, but the people who know it give us all the points as against Gower. As soon as we have your ratification we are going to fall on the Blake. Best counsel here say the suit is good & we shall win. We have in Mr. Jenty the Petit Journal 550,000 copies per day, the La France with Girardin, the Monde Illustre & 250 of Journals in the Provinces, also the Banque Nationale

the Société Nouvelle de Crédit, and other influences. They believe that within 6 months we can launch a company and divide between us 5 to 600,000 frs. with shares above par. This is a very hurried letter, and you must excuse incoherence. I have written in last three hours, with room full of people coming & going and talking. By Monday's mail will send complete resumé of all points. Please send copy of this to Mr. Lewis, and shall be to have your cable confirming heady within two days. Sorry no cash down, but we lose nothing by contracting it looks as though we should gain largely. And we go wholly under your flag.

Yours very truly
J. H. Bailey

[ENCLOSURE]

RÉSEAU TÉLÉPHONIQUE DE PARIS

SOCIÉTÉ DU TÉLÉPHONE ÉDISON

A. BERTHON & Cie, 45, avenue de l'Opéra

LISTE DES ABONNÉS DONT LES LIGNES SONT ÉTABLIES

Nos 1.	**M. E. de Girardin**, député.	27, Rue La Pérouse.
2.	**Syndicat des Agents de change**.	Palais de la Bourse.
3.	**Le Figaro**.	26, Rue Drouot.
7.	**Agence des Wagons-Lits**	1, Rue Scribe.
8.	**Union Générale** (Banque de l')	9, Rue d'Antin.
9.	**Hôtel Scribe**.	Rue Scribe.
10.	**M. Jules Bapst**, directeur du *Journal des Débats*.	20, Rue N.-des-Capucines.
11.	**Café de la Paix**.	Boulev. des Capucines.
12.	**M. le docteur Evans**.	15, Rue de la Paix.
13.	**Grand Hôtel**.	1, Boulev. des Capucines.
14.	**Consulat Américain**	3, Rue Scribe.
15.	**American Register** (Journal).	10, Rue Scribe.
16.	**Syndicat des Agents de change**.	6, Rue Ménars.
17.	**MM. Léon & Dréher**, Changeurs.	112, Rue Richelieu.
18.	**La France** (Journal).	123, Rue Montmartre.
19.	**M. Gaytte fils**, banquier	131, Rue Montmartre.
20.	**M. Jules Tuquet**, fabricant de balayeuses.	23, Rue de Cléry.
21.	**MM. Sédille & Cie**, Reg. et Fournitures de Bureau.	6, Rue de Cléry.
22.	Id. Id. Papiers en gros et Impressions.	4 *bis*, Rue Saint-Sauveur.
23.	**MM. Virgile Lhuillier & Ce**, Soc. gén. de démén.	78, Rue Montmartre.
24.	**Banque Nationale**.	11, Rue Le Peletier.
25.		
26.		
27.		
28.		
29.		
30.		

PARIS. — IMP. A. CHAIX ET CE RUE BERGÈRE, 20. — 4826-6.

Thos A. Edison, Esq.
Menlo Park.

New York, March 6, 1880

27 PINE STREET.

Dear Sir,

Will you be kind enough to inform me whether the shares of the Telephone Company for Europe have been issued?

If it is not asking too much please let me know also what progress you are making with the Electric Light.

Yours very truly
R Heyewisch

Paris 8 March 1880.

My dear Sir:

By mail of 5th instant I sent you contract signed the 4th and a hurried statement of the business. I said that though we do not get money we have prospect of doing better than we should have done in the fusion. — We have 40% in the affair, with the parties who take the business. Taking the worst supposition = that they and we get in the large company which is the object of our present association, only one half of the total capital our part is 40/100 of 1/2 = 1/5 of the total in the new Company. Under the fusion we were to receive 800,000/8,000,000 or 1/10. That was 1/10 in the united company while our 1/5 is one fifth in the Edison alone. It is only 5 weeks since I commenced working and we have today one hundred and fifty individual names on our list of subscribers with several large administrations that take 20 and upwards each, engaged to us and making a total of 250. This puts us ahead of the Gower and Doulen = in combined. If we go alone we have every assurance that we shall get the lion's share. If we make the fusion we shall get the lion's share. — We have about ~~one hundred~~ two hundred ~~thousand dollars~~ and twenty thousand francs to pay to get our special partners out and avoid going into bankruptcy. Of this amount I have paid 30,000 to Roosevelt & Bertron from the 50,000 raised from Harjes. One hundred thousand is coming to us from the people we are treating with: the balance I shall have to financier for. I propose that the transaction with Harjes and the buying out of the special partners be charged to our entire interest and borne proportionally. I will send you a sheet showing the whole situation. If the parties we are now with accept the business finally (they have the right to 20 days from date of signing to retire) we can get through and come out all right. They have already taken hold with us and give the money to run on till

we get your ratification. I have had great difficulty in getting through. and the capital of the Edison El. Co of France has been as low as a few sous a number of times in the last weeks. I regretted to draw on you for Charley's bills, but I could not carry even so small an amount. I paid it to avoid scandal. I knew nothing about any bills being due till time I made draft on you. when I found that Mr. Parker had given a bill for the expenses which was protested and an execution about to issue. — There is one great change in the situation here in Europe that you must take into account, during the last months. The time for getting money for patents has passed. in any country where there is freedom of competition. It is now understood that there are several telephones that can be used, and no company or person will pay money in advance of actual exploitation. The telephone is settling down into the situation of a regular industry, and the contract we made here with Gouldock, cant be repealed here in France or elsewhere in Europe. You must put such ideas one side to begin with. It is a rip and tuck contest for a foothold and if your interests are going to be quarrelled over there will be nothing left for any of us. — Mr. Banker arrived here with a good many illusions on this subject. I dont know the present state of his mind.

I hope you will not wait for Saturday to go to Coudert Bros and make ratification. a cable from them to effect that you have ratified and that they have mailed contract will be accepted here as ratification. and the 100,000 f will be paid over. This will be paid to Berthon and Roosevelt (the latter representing the Gouldock interest) for engagements already taken with them. So much towards freeing us from special partners. — I am constantly

interrupted in my writing, and I will only add to what I have written that from the nature of the circumstances we are already in the hands of our new people, and they are pushing actively. They put up 400,000 f. to run on. The sum is not raised because it would have made an expense of 30,000 to register under the French law. We have what is worth more than the money the strongest combination of journals that is in France! To let go with them would be the end of our affair here. It is simply an affair of closing what is now in hand and getting what we can out of it, (with a good prospect of getting something good,) or nothing. I will endeavor and write you better accounts as soon as I am a little freer from pressure.

Yours very truly,

J. A. Bailey

Thos A. Edison Esq.

Will you please send copy to White & Gray — I can't write to each one.

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

Dated Paris Via N.Y. Mch 8 1880

Received at 9.20 pm

To Edison Menlo Park N.J.

Expenses carrying business obliged me to draw sight Chinley's bills which I paid. avoid scandal have Drexel pay by cable advise White gray contract signed, mailed fifth for ratification

Bailey

3/3 Collect

Pl. Forwarded from Ny

Graff do this

Called money Mch 11. 80

READ THE NOTICE AT THE TOP.

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

8

Dated Paris. Via Newyork Mch 8 1880

Received at 10.21 pm

To Edison. Menlo Park. N.J.

Edison Newyork, do not ratify Bailey's french Telephone contract now on way, conditions certainly prejudicial possibly fatal to our interest shall forward next wednesday full explanations and firm advantageous contract meantime cable me what immediately cash payment you will accept for your share in french telephone patent

Rus Kas

1/9 Collect

1.03 P. Hassen

READ THE NOTICE AT THE TOP.

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

A. R. BREWER, Sec'y. NORVIN GREEN, President.

Dated New York Mch 9 1880

Received at 1127 am

To T A Edison
Menlo Park N J

READ THE NOTICE AT THE TOP.

Am requested by cable to ascertain which you will take for your share in French telephone patents Kindly send reply soon as possible

A Hegewisch
23 pd
Hof

T. A. EDISON.

1 Menlo Park, N. J., Mch 9 1880

Puskas
Paris
How much do you offer. cash.

Edison

9 Menlo Park

1225
9 Ho

T. A. EDISON.

Menlo Park, N. J., Mch 9 1880

12 55 PM

/

My 9 Mr A Edison

Confidential Puskas is acting now with first class banking house in Paris with excellent chance of success. Please support him it is for your interest dont listen to Bailey proposition My private secretary Mr Benn will call on you tomorrow and explain.

A Kegewisch

42 paid
HO

T. A. EDISON.

Menlo Park, N. J., Mch 9 1880

N

Heraclite
~~Bailey~~ Paris

What was amount of bill

7 Menlo Park

12 26 9 HO

Mch 9th 80

NP Paris

Edison
Menlo Park N J

Return my letter postmarked twenty seventh February unopened
Bailey

13 Office

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

This Company **TRANSMITS** and **DELIVERS** messages only on conditions, limiting its liability, which have been assented to by the sender of the following message.
Errors can be guarded against only by repeating a message back to the sending station for comparison, and the Company will not hold itself liable for errors or delays in transmission or delivery of **Unrepeated Messages.**
This message is an **UNREPEATED MESSAGE** and is delivered by request of the sender, under the conditions named above.

A. R. BREWER, Sec'y. NORVIN GREEN, President.

Dated New York Mch 10 1880

Received at 10 07 am

To Thos A Edison
Menlo Park N J

Can you see my secretary today please answer

A Hegeweisch
8 Paid
Hof

READ THE NOTICE AT THE TOP.

Mch 10, 80
5-45 pm

Paris
via New York 10

Edison
pns

Twenty two hundred ninety
francs

Bailey

9 Collect 25
1 Ex in date

Ezy Cy

Mch 11. 1880

Paris via New York

Edison Menlo Park

Neither Baileys nor my contract provides cash payment believe possible change to cash payment provided your price not too high cable therefore lowest price if cash suits you better than shares in company to be formed during present year then will try arrange

Puskas

48 Collect

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

A. R. BREWER, Sec'y. NORVIN GREEN, President.

Date Paris, Via NY, March 11 1880

Received at 830 Menlo Park

To Edison:

Avoid committal french matters, whatever source solicited pending advices next week from persons pholding your powers same advices regarding European company and light

Forward to

27 Cullnet

14

59 d.

Azrow

READ THE NOTICE AT THE TOP.

no

Mch 12 1880
9 42 Am

Cable

Mos Edison
Menlo Park
New York

Have just returned to Paris Mr Harrisse Counsel sent you March fifth Contract of Bailey with Auberjon which Harrisse advises me to recommend you to accept refusing proposals of Puskas.

Harjes

35 Paris

Mch 12. 80
1255-

NYPV Thomas A Edison

Parker cables tell Edison do
nothing without my approval
Getting matters here in shape
Edison trust me nobody else
Hanges away
R L Cutting Jr

21 Paid

JAMES W. WHITE. J. CLARENCE WHITE. HENRY M. LEWIS.

TRUSTEES OF

SAMUEL S. WHITE,

Dental Depot,

Chestnut Street, Corner Twelfth.

PUBLISHERS OF THE Dental Cosmos, A Monthly Journal. Price, $2.50, in advance.

Philadelphia, March 15 1880

T. A. Edison, Esqr
Menlo Park N. J.

Dear Sir

On my return to-day, after an absence of about a week I find your esteemed favor of the 10th inst. I will return the enclosures to you in a day or two.

Yours Respectfully
H. M. Lewis
Trustee

JAMES W. WHITE. J. CLARENCE WHITE. HENRY M. LEWIS.

TRUSTEES OF

SAMUEL S. WHITE,

Dental Depot,

Chestnut Street, Corner Twelfth.

PUBLISHERS OF THE Dental Cosmos, A Monthly Journal. Price, $2.50, in advance.

Philadelphia, March 16 1880

T. A. Edison, Esqr
Menlo Park N. J.

Dear Sir,

I herewith inclose the papers sent to me with your favor of the 10th inst.

I am very much obliged to you for sending them to me.

Yours Respy
H. M. Lewis

6 Enclosures

Blank No. 2.

THE WESTERN UNION TELEGRAPH COMPANY.

A. R. BREWER, Sec'y. 5 NORVIN GREEN, President.

Dated Mar 18 1880

Received at Cable 115 7 Mar

To Thos. Edison, Menlo Park N.Y.

READ THE NOTICE AT THE TOP.

Since cabling you last Friday have looked into position affairs have tried that the two parties should amalgamate on failing that to secure better conditions from Auberjohn he and his party represent very important newspapers and great political and financial influences, they have just informed me that they are much displeased with action of Puskas party that in consequence they decline absolutely to

Blank No. 2.

THE WESTERN UNION TELEGRAPH COMPANY.

A. R. BREWER, Sec'y. NORVIN GREEN, President.

Dated 18

Received at

To

READ THE NOTICE AT THE TOP.

accept same or change the contract as sent you March fifth except ~~that~~ they will advance all the funds necessary to liquidate the old Company that affairs are suffering much by present inaction and uncertainties and that your earliest possible decision by cable is necessary equity and the probability of success seems to be in favor of the contract with Auberjohn mailed March fifth, besides

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

A. R. BREWER, Sec'y. NORVIN GREEN, President.

Dated _____ 18__.

Received at _____

To _____

Withdrawal of Aurbergoline and his party owing to their powerful influence might prevent success of any company formed by others cable me your views and decision soonest possible

Harjes

161 Paris

Hof

11 5 pm

READ THE NOTICE AT THE TOP.

4

March 18. 80
4.50 P.M.

Cable

Thomas Edison
Menlo Park N.J.

This is my second message today
Should you be in favor of contract
Auberjon advise me so but do
not sign same until I report
further as I should prefer first
to secure from Auberjon additional
Clauses in your favor

Harjes

45 Paris
HG

N.P. Cable

March 20, 1880
1209 pm

Edison
Menlo Park N.J.

I learn that Harrison Cabled you Thursday night of which Cable Mr Harjes had no knowledge. Mr Harjes has withdrawn the case from Harrison wait advices later in day regarding modification favorable to you

Bailey

Z of Paris

Blank No. 1.

Get the French mistake translated by Clark

THE WESTERN UNION TELEGRAPH COMPANY.

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Errors can be guarded against only by repeating a message back to the sending station for comparison, and the Company will not hold itself liable for errors or delays in transmission or delivery of Unrepeated Messages.
This message is an UNREPEATED MESSAGE and is delivered by request of the sender, under the conditions named above.

A. R. BREWER, Sec'y. NORVIN GREEN, President.

Dated Cable March 20 1880

Received at 7450

To Edison
Menlo Park N J

READ THE NOTICE AT THE TOP.

additional contract has been signed by authergan and deposited this morning with Drexel Hoijes ~~this morning~~ on receiving advice of your acceptance of contract as modified by these clauses a copy duly executed will be sent you you should come to immediate decision five weeks work by me on money found by me personally raised business from situation where it was valueless when Mr Paskar started a piratical attack to capture it and for ten days past a scandal has been going on that should be

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THE WESTERN UNION TELEGRAPH COMPANY.

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A. R. BREWER, Sec'y. NORVIN GREEN, President.

Dated 18.

Received at

To stopped four of largest Banks and several powerful individuals are in the Aubergon combination and they have paid our expenses two weeks past and have given support and influence they cannot be thrown over without fatal blow to your interest if I have gained any consideration with you I beg you act promptly and assure you that your interests and honor are on the same side following is additional contract — Pour faire suite a notre contrat du 4 Mars il est bien entendu que l'apport des brevets dans la Societe

READ THE NOTICE AT THE TOP.

[TRANSLATION FOLLOWS]

Blank No. 2.

THE WESTERN UNION TELEGRAPH COMPANY.

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A. R. BREWER, Sec'y. NORVIN GREEN, President.

Dated _____ 18.

Received at _____

3 To _____

READ THE NOTICE AT THE TOP.

que le formerai ne sera pas inferieur a la somme de deux millions et un quart quel que soit le capital de la societe quant a votre liquidation dont vous etes porte fort nous vous faciliterons tous les moyens pour arriver a pouvoir l'operer et d'accord avec Mr Edison et contre garantie dument executee et a intervenir plus tard nous vous avancerons la somme a argent necessaire a cet effet enfin nous vous enverons immediatement et

Blank No. 2.

THE WESTERN UNION TELEGRAPH COMPANY.

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This message is an UNREPEATED MESSAGE and is delivered by request of the sender, under the conditions named above.

A. R. BREWER, Sec'y. NORVIN GREEN, President.

Dated _____ 18.

Received at _____

4 To _____

READ THE NOTICE AT THE TOP.

avant la formation de la dite societe une somme de cinq cent mille francs pour et indre l'affaire et donner aux brevets la plus grande valeur possible signed Edouard Le Auberger Mr Harjes declines cabling any further or to interfere in any way whatever saying that he has given you his viel vieros and shall do nothing further till he hear in reply either leaving it to him to do best possible for your interest or to indicate to him who your desire from

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

A. R. BREWER, Sec'y. NORVIN GREEN, President.

Dated _____ 18__.

Received at _____

5 To

foregoing you receive that our pro rata is at least forty per cent of two and quarter million

Bailey
45 Avenue Opera
358 Paris
H. Id.f

READ THE NOTICE AT THE TOP.

[TRANSLATION]

Translation

For arranging the continuance to your contract of the 4th of March it is well understood that the capital share of the patents in the company which I shall form will not be less than the sum of two millions and a quarter whatever may be the capital of the company in the event of your settlement ~~to~~ which you are strongly inclined.

We will ~~facilitate make easy~~ facilitate you in the means of being able to act — and in harmony accordance with Mr. Edison and counter-guaranty duly executed and to interverse at the last — we will advance you the sum of cash necessary to this purpose.

finally we will immediately deposit and the formation of the said company a sum of five hundred thousand francs for and between the affair and give to the patents the largest possible value,

Edouard Le Auberger.

Blank No. 2.

THE WESTERN UNION TELEGRAPH COMPANY.

This Company TRANSMITS and DELIVERS messages only on conditions, limiting its liability, which have been assented to by the sender of the following message.
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This message is an UNREPEATED MESSAGE and is delivered by request of the sender, under the conditions named above.

A. R. BREWER, Sec'y. NORVIN GREEN, President.

Dated Paris Ohio Mch 5/22 1880
Received at 2 01 P

To Edison
Menlo park N J

READ THE NOTICE AT THE TOP.

Edison
ny ork
Mailed contract filing
twelfth instead of
wednesday
J Puskas

11 Collect
Hot

---

nP

Mch 22d 80

Paris Via NY 22d

Edison Menlo Park New Jersey

Mailed contract Friday
twelfth instead of Wednesday
Puskas

11 Collect

2

March 22, 80

Harjes
Paris

You may accept for me and sign any contract which will produce a reasonable return and will put a stop to the present intriguing and which will most quickly put Telephone in practical operation in France

Edison

39 Menlo Park 2nd

310 PM 9 Ho

3

March 22d 1880

Heraclite
Paris

Edison Cabled Harjes to accept best contract that will stop intriguing and put telephone quickest in operation

Griffin

20 Menlo Park N.J.
Mch 22d

315 P.M.
9 Ho

1 NYWD

Mch 22 80
2 50 pm

Edison
Menlo Park New Jersey

Duberjan Contract modified
seems to me only practical
course for France

Barton
via London

13 paid
Hoey

---

4 Paris
Via N.Y. 22d

Mch 22. 80
5 45 —

Edison

Business suspended
all becoming demoralized
any reply preferable delay

Bailey

13 Collect
Ex word
9 37

March 22 1880
5 54 pm.

Cable

Paris 21st

Griffin Menlo Park
N.J.

Tell Edison Harjes gave me statement about Harrisse yesterdays telegram and contracts submitted to him Auberjon people wanting acceptance French Contract for Europe putting up million and half paying us quarter million cash situation here critical and discreditable - Auberjon in possession paying expenses but business stopped fighting outside intrigues disgusting them and others they have now given us everything we asked and we cant drop them without scandal and danger too serious to be thought of

Bailey

84 Paris

JAMES W. WHITE. J. CLARENCE WHITE. HENRY M. LEWIS.

TRUSTEES OF

SAMUEL S. WHITE,

Dental Depot,

Chestnut Street, Corner Twelfth.

PUBLISHERS OF THE Dental Cosmos, A Monthly Journal. Price, $2.50, in advance.

Philadelphia, March 24 1880

T. A. Edison Esq
Menlo Park N.J.

Dear Sir

Your favor of yesterday is at hand covering letter from Mr Bailey which I herewith return with thanks for your kind attention

Yours Respectfully
Trustees of S.S. White
H M Lewis

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

A. R. BREWER, Sec'y. NORVIN GREEN, President.

Dated New York 3/27 1886
1139 am

Received at

To Thos A Edison
Menlo park

My secretary Mr Benn will call on you today to present telephone Contract entered into by Mr Puskas

A Hegewisch

1 8 paid
Hof

READ THE NOTICE AT THE TOP.

NP

March 27, 80
547 pm.

Paris
T. A. Edison
Menlo Park N.J.

Hayes ratified today my contract

Puskas

Tcollect

[TRANSLATION FOLLOWS]

31 Boulevard Haussmann
11 mot rayés
Ex. [illegible]

Entre les Soussignés:

Mr. John H. Harjes, demeurant à Paris, ~~45 Avenue de l'Opéra~~, mandataire de Mr. Thomas Alva Edison, aux termes d'une procuration en date de New York 2 Décembre 1879, déposée chez Me. Segond Notaire à Paris, ~~demeurant à Paris, Boulevard Haussmann N. 31~~;

Mr. Joshua F. Bailey, demeurant à Paris 45 Avenue de l'Opéra, en son nom personnel et comme mandataire de Mr. Elisha Gray, aux termes d'une procuration en date du 8 Octobre 1878, déposée chez Me. Robin, Notaire à Paris,

Mr. Théodore Puskas agissant en son nom personnel, demeurant à Paris, Avenue de l'Opéra N. 45;

Ces deux derniers agissant en outre comme co-liquidateurs de la Société A. Berthon & Cie.,

d'une part

Et la Banque Franco-Egyptienne ayant son siége à Paris, 32 Boulevard Haussmann, représentée par Mr. Ernest May, son Directeur, aux termes d'une délibération du conseil d'administration en date du 13 mars 1880

d'autre part;

A été fait et convenu ce qui suit:

Art. 1er.

MM. Harjes, Bailey et Puskas cèdent et transportent présentement sous la condition expresse de former une Société en commandite ou par actions, comme il sera dit ci-après et dans ce but seulement mais avec toutes les garanties de droit à la Banque Franco-Egyptienne qui accepte, les brevets français dont l'énumération suit:

1° Le brevet français de quinze ans du dix neuf Décembre mil huit cent soixante dix sept, numéro cent vingt un mille six cent quatre vingt sept, délivré à Mr. Thomas Alva Edison pour des perfectionnements dans les instruments pour contrôler par le son la transmission des courants électriques et la reproduction de son correspondant au loin ensemble du certificat d'addition délivré le quinze Janvier mil huit

[TRANSLATION FOLLOWS]

cent soixante dix huit.

Est néanmoins réservé dans ce brevet, tout ce qui concerne le phonographe.

2° Le brevet français de quinze ans du cinq Février mil huit cent soixante dix huit, numero cent vingt deux mille quatre cent cinquante deux, délivré à MM. Roosevelt & Breguet pour des perfectionnements aux téléphones. Ensemble de quatre certificats d'addition délivrés à MM. Roosevelt & Breguet les 6 Mai, huit Juillet quatorze Septembre et vingt trois Octobre mil huit cent soixante dix huit.

Les dits brevets et certificats d'addition étant devenus la propriété de Mr Roosevelt seul par suite de la cession à titre de licitation que M. Bréguet lui a faite de sa part suivant acte reçu par Me Portefin Notaire à Paris, le vingt quatre Novembre mil huit cent soixante dix huit, lequel sieur Roosevelt a cédé lui-même à Mr Bailey la partie de ce brevet dont s'agit ensemble les quatre certificats d'addition y rattachant aux termes d'un acte reçu par MM. Cronsselle et Portefin, Notaire à Paris, le quatre Décembre mil huit cent soixante dix huit.

3° Le brevet francais de quinze ans du vingt Mai mil huit cent soixante dix huit devant expirer le deux Mai mil huit cent quatre vingt douze numéro cent vingt quatre mille six cents délivré à M. Bailey pour des perfectionnements dans les téléphones parlants et leurs accessoires

4° Le brevet francais de quinze ans du dix Mai mil huit cent soixante dix huit numéro cent vingt quatre mille quatre cent six délivré à Mr Elisha Gray pour des perfectionnements dans les téléphones et leurs appareils accessoires;

5° Le brevet francais de quinze ans du sept Août mil huit cent soixante dix neuf, numéro cent trente deux mille cent trente sept, délivré à Mr Bailey pour une composition pour la confection des boîtes de téléphones

6° Le brevet français de quinze ans du huit Août mil huit cent soixante dix neuf, numero cent trente deux mille cent cinquante cinq délivré à Mr Bailey

[TRANSLATION FOLLOWS]

1

perfectionné

pour un système d'électro motographe?

7° Le brevet français de quinze ans du seize Août mil huit cent soixante dix neuf, numéro cent trente deux mille deux cent soixante dix, délivré à Mr Bailey pour perfectionnements dans les téléphones magnétiques.

8° Le brevet français de quinze ans du dix-neuf Août mil huit cent soixante dix neuf, numéro cent trente deux mille trois cent quinze, délivré à Mr Bailey pour perfectionnement dans les téléphones à fils, ensemble des certificats d'addition délivrés le quatre Octobre mil huit cent soixante dix neuf.

9° Le brevet français de quinze ans du vingt un Août mil huit cent soixante dix neuf, numéro cent trente deux mille trois cent cinquante sept délivré à Mr Bailey pour perfectionnements dans les dispositions et l'agencement des postes en communication téléphonique.

La présente cession comporte tous les certificats d'addition aux dits brevets et même tous brevets de perfectionnement qui pourraient être pris d'ici à cinq ans par les breveté, MM. Edison Gray et Bailey

Elle comporte également le droit d'user pour le temps qui en reste à courir de l'autorisation ministérielle donnée pour l'exploitation des dits brevets ensemble de toutes autorisations nouvelles à obtenir.

MM. Harjes, Bailey & Puskas s'engagent formellement à faire agréer la Banque Franco Egyptienne aux lieu et place de la Société A. Berthon et Cie par l'Administration.

Art. 2.

Pour faciliter à la Banque Franco Egyptienne l'exploitation des brevets qui lui sont cédés dans la forme décrite ci-dessus, MM. Bailey et Puskas en leur qualité de Liquidateurs de la Société A. Berthon et Cie et de l'agrément de leurs co-liquidateurs dont ils justifieront, sous-loueront à la Banque Franco Egyptienne tous les bureaux et ateliers et généralement tous les locaux occupés par l'ancienne Société A. Berthon & Cie dans la maison sise à Paris, Avenue de l'Opéra Numéro 45.

[TRANSLATION FOLLOWS]

Ce sous-bail est fait à la charge de la Banque Franco Egyptienne qui s'y oblige.

D'exécuter à la décharge de la Société A. Berthon et Compagnie toutes les charges et conditions du bail principal, tel qu'il a été consenti par Mme Veuve Desforges et consorts, aux termes d'un acte reçu par Me Dean de St Gilles, notaire à Paris, les seize et trente un Décembre mil huit cent soixante dix huit et de payer seul le loyer annuel de six mille cinq cents francs fixé au dit bail.

Le tout bien entendu à partir de ce jour.

En outre, MM. Bailey & Puskas vendent sous les garanties de droit à la Banque Franco-Egyptienne qui accepte tout le matériel, le mobilier industriel et de bureau, les installations les appareils et fils déjà établis et généralement tous les objets mobiliers lui appartenant en propre et dépendant de la Société dissoute.

Etat détaillé du matériel et appareil (marchandises) sera annexé au présent.

A raison du transport de bail et de la cession conditionnelle, tous les frais généraux impôts, assurances et autres seront à compter de ce jour à la charge de la Banque Franco-Egyptienne.

Comme conséquence et condition des transports et cessions ci-dessus, la Banque Franco-Egyptienne s'oblige à satisfaire à tous abonnements contractés par la Société A. Berthon et Cie suivant état qui en sera fourni et annexé aux présentes, MM. Bailey & Puskas déclarant qu'aucun prix d'abonnement n'a encore été reçu à ce jour, la Banque Franco-Egyptienne servira donc les abonnements et en percevra le

[TRANSLATION FOLLOWS]

montant.

Art. 3.

Outre les clauses et conditions ci-dessus les ventes et cession de bail dont s'agit sont consenties moyennant une somme de cinquante un mille francs ci ..... 51000f.

La Banque Franco-Egyptienne devra de plus tenir compte à MM. Bailey et Puskas ès qualités :

1° Des loyers d'avances versés par la Société A. Berthon & Cie et s'élevant à la somme de quatre mille francs dont elle deviendra propriétaire ..... 4000 „

2° Du cautionnement déposé entre les mains de l'Administration des Postes et Télégraphes et s'élevant à la somme de quarante cinq mille francs dont elle deviendra propriétaire ..... 45000 „

Soit au total cent mille francs ..... 100000 „

En sus de cette somme de cent mille francs prix d'achat comme il vient d'être dit la Banque Franco Egyptienne consent par les présentes à faire à MM. Harjes Bailey & Puskas, tous trois en leur dite qualité, un prêt de cent soixante mille francs (160.000f.) qui serviront avec les cent mille francs ci-dessus à liquider l'ancienne Société A. Berthon & Cie ;

Les dites sommes seront versées à MM. Harjes Bailey & Puskas après remise de toutes les pièces justificatives des droits et faits énoncés ci-dessus et notamment de titres originaux des brevets et certificats d'addition et des quittances des annuités échues.

Il est entendu que la somme de cent soixante mille francs (160.000f.) étant avancée à MM. Harjes, Bailey et Puskas à titre de prêt et à valoir sur la somme qui pourra leur être attribuée dans l'apport dont il va être parlé ci-après, la Banque Franco Egyptienne sera remboursée de cent soixante mille francs en espèces sur le dit apport.

Art. 4.

La Banque Franco Egyptienne s'engage à former—

[TRANSLATION FOLLOWS]

quand il lui plaira, de ce jour au trente un Décembre mil huit cent quatre vingt telle Société en commandite ou Anonyme par actions qu'elle jugera convenable à laquelle seront apportées les charges et les avantages du présent contrat et cet effet, il demeure expressément convenu entre les parties que la Banque Franco-Egyptienne pourra à son choix soit apporter elle-même tous les brevets sus mentionnés ensemble des certificats d'addition existant à ce jour, et ainsi que les certificats d'addition ou brevets de perfectionnement qui pourraient être pris pendant cinq ans de ce jour, comme il est dit plus haut, à la Société qu'elle se propose de fonder, soit faire effectuer l'apport à la dite Société des brevets dont il s'agit avec leurs accessoires par les brevetés eux-mêmes MM. Edison Gray et Bailey.

Dans tous les cas et que l'apport des dits brevets à la Société dont s'agit soit fait par la Banque Franco-Egyptienne ou par les brevetés eux-mêmes soixante pour cent de la valeur des apports seront attribués à la Banque Franco-Egyptienne et quarante pour cent aux brevetés, et il est expressément stipulé que quelle que soit l'importance de cet apport les quarante pour cent revenant aux dits brevetés ne pourront être inférieurs à 900,000f. neuf cent mille francs en actions.

Art. 5.

Pour l'exécution de ces Conventions et l'exploitation des brevets jusqu'à la constitution de la Société par actions la Banque Franco-Egyptienne fera à valoir sur le capital de la dite Société une avance jusqu'à concurrence d'une somme maxima de cinq cent mille francs à verser au fur et à mesure des besoins de l'affaire. Ces cinq cent mille francs sont en outre des cent mille pour le prix stipulé ci-dessus et des cent soixante mille francs à avancer à titre de prêt pour la Liquidation de la Société A. Berthon et Cie dans les conditions ci-dessus mentionnées.

En vue du meilleur emploi à faire de la dite somme de cinq cent mille francs, dans l'intérêt de l'exploitation des brevets, de leur mise en valeur ou de la fondation de la Société définitive, la Banque Franco-Egyptienne et M. Harjes auront la gestion de l'affaire jusqu'à la constitution de la

[TRANSLATION FOLLOWS]

Société par actions et la nomination de son Conseil d'administration.

Dans le cas où d'accord avec Mr Harjes es qualités, la Banque Franco. Egyptienne n'aurait pas au trente un Décembre mil huit cent quatre vingt constitué une Société et aurait néanmoins dépensé cinq cent mille francs comme il vient d'être dit, elle aura droit à une part de soixante pour cent dans la propriété des brevets. Mais si la somme déboursée est inférieure à la somme de cinq cent mille francs sa part dans le percentage des brevets diminuera dans la proportion des dépenses réellement effectuées, c'est-à-dire que si elle n'a dépensé que deux cent cinquante mille francs sa part sera réduite à trente pour cent et ainsi du reste.

Si la Société est au contraire constituée ainsi qu'il est dit la part à revenir à la Banque Franco-Egyptienne ne pourra en aucun cas excéder soixante pour cent dans les apports quelle que soit l'importance de la somme déboursée.

Art. 6.

Les cent mille francs payés comme il est dit précédemment pour matériel, loyer d'avance et cautionnement seront repris en espèces par la Banque Franco-Egyptienne sur le capital de la Société qui succédera à ses droits, sans que dans aucun cas, Messieurs Harjes, Bailey & Duskas puissent être recherchés pour le remboursement de cette somme.

Il en sera de même pour toutes les sommes dépensées par la Banque Franco-Egyptienne avant la constitution de la Société, comme il vient d'être dit et sans que MM. Harjes Bailey et Duskas puissent encourir aucune garantie de ce chef ni soient tenus à contribuer en quoi que ce soit sur leur apport à ce remboursement de dépenses.

Art. 7.

En cas de fusion avec une autre Compagnie de téléphones, la Banque Franco-Egyptienne ou la Société par actions qui succédera à ses droits devra insérer dans le contrat de fusion une clause stipulant que si la Société

Eug. Harjes H. Bailey Duskas

[TRANSLATION FOLLOWS]

fusionnée fait figurer dans la publicité émanant d'elle ou dans ses titres des noms de brevets lui appartenant ou d'inventeurs des dits brevets, elle devra y faire figurer également le nom d'Edison.

Art. 8.

Les frais et enregistrement des présentes s'il y a lieu seront à la charge des MM. Harjes, Bailey, & Puskas qui s'obligent à comparaître devant tous notaires au choix de la Banque Franco-Egyptienne à toute réquisition pour convertir en titre authentique les présentes et toutes autres conventions qui deviendront nécessaires

Fait en cinq exemplaires, à Paris, le vingt ~~sept~~ Mars mil huit cent quatre vingts.

des deux parties par moitié
Ex Nn Ff
Nn B Nn B.
deux mots rayés
Ex Nn Ff
Nn B Nn B.

~~deux renvois~~
~~un mot rayé nul~~
Quatre renvois
~~14~~ mots rayés nuls
Ex Nn Ff
Nn B Nn B.

approuvé l'écriture
Banque franco Egyptienne
Le directeur
Entwistle
approuvé l'écriture
Jos. Thomas Alva Edison
John W. Harjes

approuvé l'écriture
Theo. Puskas
Approuvé l'écriture
W. Bailey
pp Elisha Gray
Approuvé l'écriture
J. W. Bailey

[TRANSLATION]

BETWEEN THE UNDERSIGNED

1. MR. JOHN H. HARJES, residing at Paris, No. 31. Boulevard Hausmann, attorney of Mr. Thomas Alva Edison, according to Power of Attorney, dated New York, December 2nd.1879, deposited with Mr. Segond, Notary in Paris,

2. MR. JOSHUA F. BAILEY, residing at Paris, No. 45. Avenue de l'Opéra, in his own name and as attorney of Mr. Elisha Gray, as per Power of Attorney, dated October 8th. 1878 deposited with Mr. Robin, Notary in Paris,

3. MR. THEODORE PUSKÁS, acting in his own name, residing at Paris, No. 45. Avenue de l'Opéra.

The latter two gentlemen also acting as Co-Liquidators of the Company : A. Berthon & Co.

parties of the first part

and THE FRANCO-EGYPTIAN BANK, having their seat at Paris, No. 32. Boulevard Hausmann, represented by their Manager Mr. Ernest May, as per terms of a deliberation of the Board of Administration, under date of March 13th.1880,

parties of the second part

the following agreement has been made :

[TRANSLATION]

ARTICLE "I"

Messrs. Harjes, Bailey and Puskás assign and transfer by these presents, the French Patents hereafter specified, under the special condition to form a co-partnership or stock company, as hereafter and for this only purpose, mentioned, but with the full guarantee of rights to the Franco-Egyptian Bank, which accepts:

FIRST : French Patent for fifteen years from 19th December 1877, No. 121,687, granted to Mr. Thomas Alva Edison for improvements in instruments to control by sound the transmission of electric currents and the reproduction of corresponding sounds in the distance, together with the additional certificate, issued January 15th. 1878. and yet reserved in this patent all that concerns the Phonograph.

SECOND : French Patent for fifteen years, from February 5th. 1878, No. 122,452, issued to Roosevelt & Breguet for improvements in Telephones, together with four additional certificates, issued to Messrs. Roosevelt & Breguet, May 6th, July 8th, September 14th, and October 23rd. 1878.

These patents and certificates having become the property of Mr. Roosevelt alone, in consequence of transfer by way of public sale, made by Mr. Breguet to the former, according to act deposited at Mr. Portefin's, Notary in Paris, on November 24th. 1878; the said Mr. Roosevelt having transferred to Mr. Bailey that part of this patent, together with the four additional certificates as per terms deposited in an act, received by Messrs. Trouselle and Portefin, Notaries in Paris, on December 4th., 1878

THIRD : French Patent for fifteen years, from May 20th. 1878, to expire May 2nd. 1892, No. 124,600, issued to Mr. Bailey, for improvements in(speaking)telephones and their accessories.

FOURTH : French Patent, for fifteen years, from May 10th. 1878, No. 124,406, issued to Mr. Elisha Gray, for improvements in telephones and their accessory apparatus ;

FIFTH : French Patent, for fifteen years, from August 7th. 1879, No. 132,137, issued to Mr. Bailey, for a composition for the manufacture of telephone boxes.

SIXTH : French Patent, for fifteen years, from August 8th. 1879, No. 132,150, issued to Mr. Bailey, for an improved system of Electro Motograph.

SEVENTH : French Patent, for fifteen years, from August 16th 1879, No. 132,270 issued to Mr. Bailey, for improvements in Magnetic Telephones.

EIGHTH : French Patent for fifteen years, from August 19th. 1879, No. 132,315, issued to Mr. Bailey, for improvements in three telephones, together with additional certificate, issued October 4th. 1879.

NINTH : French Patent for fifteen years, from August 21st. 1879. No. 132,357, issued to Mr. Bailey, for improvements in the disposition and arrangement of lines for telephonic communications.

The present assignment admits all additional certificates to the above mentioned patents, and even all patents for improvements which may by the patentees, Messrs. Edison, Gray and Bailey be taken out within five years from now. It admits or includes likewise the right to use during the remaining lifetime the ministerial authorization, given for the use (exploitation) of the said patents, together with all new authorizations, to be gotten.

Messrs. Harjes, Bailey and Puskás bind themselves formally to make the administration approve of the Franco- Egyptian Bank, instead of the firm A. Berthou & Co.

ARTICLE " 2 "

In order to facilitate to the Franco-Egyptian Bank, the cultivation of the patents which have been transferred to said Bank, as specified above, Messrs. Bailey & Puskás, in their quality as liquidators of A. Berthou & Co., and with the consent (to be justified), of their co-liquidators, sublet to the Franco-Egyptian Bank all the offices and workshops, and in general, all the localities which have been occupied by the old company (A. Berthou & Co.) in the Paris House on Avenue de l'Opera No. 45.

This sub-lease is made at the charge of the Franco-Egyptian Bank, which furthermore oblige themselves to execute instead of the firm A. Berthou & Co., all charges and conditions of the principal lease, such as they were fixed by Madame

Widow Desforges and consorts, as per terms of contract, received by Mr. Pean de St. Gilles, Notary in Paris, on the 16th and 31st December, 1878, and to pay the annual rent of 6500 francs for the mentioned lease; it being understood that this becomes in force from this date. Furthermore, Messrs. Bailey & Puskás sell, being entitled to do so, to the Franco Egyptian Bank which accepts all the material, the industrial and office furniture, the installations, the apparatus, the wires already established and, in general, all the moveable objects belonging to them and depending from the dissolved company.

Detailed specifications of the material and apparatus shall be annexed to the present.

All the general expenses, taxes, insurance, and so on, in consequence of the transfer of the lease and the conditional assignment run from this day, to the charge of the Franco Egyptian Bank.

In consequence of and by the conditions of the transfer and assignment above mentioned the Franco-Egyptian Bank binds themselves to satisfy all obligations contracted for by the firm of A. Berthou & Co., according to specifications which will be furnished in regard to them and be annexed to the present act. Messrs. Bailey and Puskás declaring that up to this day no payment whatever has been received for these contracts, the Franco-Egyptian Bank will have to attend to these contracted for obligations, and to receive the money for them.

ARTICLE "3"

Besides the clauses and conditions above mentioned, the sales and transfer of lease understood in this present act, have been agreed upon to average a sum Fifty One Thousand Francs, that is.....Francs 51,000.00

The Franco Egyptian Bank, furthermore will have to be indebted for the following amounts, to Messrs. Bailey and Puskás :

FIRST : of the Rent paid in advance by A. Berthou & Co., amounting to the sum of Four Thousand Francs, of which it will become owner.....Francs 4,000.00

SECOND : of the Guarantee sum deposited into the hands of the Administration of Mails and Telegraphes, amounting to the sum of Forty Five Thousand Francs, of which it will become owner,.....Francs 45,000.00

Total, Hundred Thousand Frcs: = Francs 100,000.00

Besides this sum of Hundred Thousand Francs purchase money as explained before, the Franco Egyptian Bank hereby consents to give Messrs. Harjes, Bailey & Puskás, to all three in the aforesaid quality, a loan of Hundred Sixty Thousand Francs (Francs 160,000.00) which, together with the above specified Hundred Thousand Francs will serve to liquidate the

former firm of A. Berthou & Co. The mentioned sums will have to be furnished to Messrs. Harjes, Bailey & Puskás after having remitted all the legal documents respecting the rights and facts, specified above, and especially of the original titles of the patents and additional certificates and receipts for the due annuities.

It is understood that the sum of Hundred Sixty Thousand Francs (Francs 160,000.00) being advanced to Messrs. Harjes, Bailey & Puskás under title of a loan and to be the value of the sum which can be attributed to them in the specification of stakes of which will be spoken hereafter, the Franco Egyptian Bank will be reimbursed, for these Hundred Sixty Thousand Francs in cash, for the said conveyance.

ARTICLE " 4 "

The Franco-Egyptian Bank undertakes to form, when it will please them, from today up to the 31st day of December 1880, a co-partnership or annonymus stock company, as in their judgment will be best suited, to which shall be transferred the charges and the advantages of the present contract ; for this purpose it has expressly been agreed between the parties, that the Franco-Egyptian Bank, according to their (the Bank's) option can either transfer themselves all above mentioned patents together with the additional certificates existing up to this day as also all the additional certificates and patents for im

provements which can be taken during five years from this day, as it is stated above, to the company which they intend to form; or can have the transfer or assignment of the mentioned patents with their accessories to the said company executed by the patentees, Messrs. Edison, Gray and Bailey themselves.

In all and every case and the conveyance of said patents to the Company of which is spoken here, being executed by the Franco-Egyptian Bank or by the patentees themselves, Sixty Per Cent of the value of the conveyances belong to the Franco Egyptian Bank (as their attribute) and Forty Per Cent to the patentees, and it has been expressly stipulated that, whatever be the importance of these conveyances, the Forty Per Cent belonging to said patentees, shall not be less than 900,000 Francs, i. e. Nine Hundred Thousand Francs in Shares.

ARTICLE " 5 "

For the execution of these agreements and the use (exploitation) of the patents until the stock company has been constituted, the Franco-Egyptian Bank will give an advance on account of the capital of said company a sum to the maximum height of Five Hundred Thousand Francs, to be advanced and furnished according to the needs of the affair. These Five Hundred Thousand Francs are besides of the Hundred Thousand Francs, for the price above stipulated and besides the Hundred

Sixty Thousand Francs under the title of " a loan" have to be advanced for the liquidation of the firm A. Berthou & Co. under the conditions which were mentioned before.

With the intention to make the best possible use of the named sum of Five Hundred Thousand Francs ; in the interest of the cultivation of the patents, of their being made the best of, or of the forming of the definite company, the Franco-Egyptian Bank and Mr. Harjes shall have the administration of the affair up to the constitution of the stock company and the election of its Board of Administration.

In case, or if in accordance with Mr. Harjes and consorts, the Franco-Egyptian Bank had, up to the thirty first day of December, 1880, - not formed a company and nevertheless had spent Five Hundred Thousand Francs, as will be explained, they (the Bank) should be entitled to a share of Sixty Per Cent in the ownership of the Patents. But if the expended sum is less than the sum of Five Hundred Thousand Francs, their interest or share in the percentage of the patents would diminish in proportion to the really made outlay. That is to say: Having not spent more than two hundred thousand Five Hundred Francs, their share would be reduced to 30 % and so on, in the mentioned proportion.

However, if the company is so formed, as it is said heretofore, the share due to the Franco-Egyptian Bank can in no case exceed sixty per cent of the comveyances, the importance of the outlaid sum being of whatever height it may.

ARTICLE "6"

The Hundred Thousand Francs which, as was mentioned, were paid previously for material, advanced rent and deposited guarantee money, will be taken back in cash by the Franco-Egyptian Bank of the capital of the Company which is to succeed their rights, Messrs. Harjes, Bailey & Puskås in no case can be made responsible for the reimbursement of this sum.

So it will be with all the sums expended by the Franco-Egyptian Bank, before the constitution of the Company, as it will be said, and without Messrs. Harjes, Bailey and Puskås being subjected to a guarantee to this body, nor being held to contribute to this reimbursement in any way whatever in regard to their conveyance.

ARTICLE "7".

In case of a union with another Telephone Company, the Franco-Egyptian Bank or the Stock Company, succeeding their rights, are bound to insert in the agreement or contract of Union a clause, stipulating that: if the United Company would make known in a circular issued by them in their titles, the name of patents owned by them, or the name of the inventors of said patents, the name "EDISON" has at any rate to figure among them.

[TRANSLATION]

ARTICLE "8"

The charges for registering the presents, if it takes place, will run at the charge of both parties in halves; Messrs. Harjes, Bailey and Puskás oblige themselves to appear before any Notary according to the option of the Franco-Egyptian Bank, and at any requisition, in order to convert in autentic title the present and all other agreements that shall accrue, as necessary.

Executed in Five Copies, at Paris, on the 27th day of March, in the year of eighteen hundred and eighty, A. D.

Approved contents :
(Signed) FRANCO EGYPTIAN BANK.
Ernest May, Manager.

Approved contents :
(Signed) p.pa. Thomas Alva Edison.
John H. Harjes.

Approved contents :
(Signed) Theo. Puskás.

Approved contents :
(Signed) J. F. BAILEY
p.pa. Elisha Gray.

Approved contents :
(Signed) J. F. Bailey.

Paris March 31. 1880.

Copy

Edison Menlopark New Jersey

Could not carry sufficiently advantageous conditions with Auberjon. Have just closed and signed contract with group represented by Banque Franco Egyptienne which remains binding without any optional clause.

New company will probably be formed immediately, but must be formed during this year, meanwhile they will expend if necessary up to five hundred thousand francs for furthering the enterprise, such expenditures subject to my approval.

You to receive forty per cent of the amount the company gives for the patents with stipulation that your share shall be at least nine hundred thousand francs in shares of the company.

Besides then pay to the old company or to Berthon company One hundred thousand francs cash as stated in the contract ~~sent~~ you and also loan one hundred and sixty thousand francs cash to liquidate the said old company.

Harjes

DREXEL, HARJES & CO.
PARIS.

DREXEL & CO.
Philadelphia.

DREXEL, MORGAN & CO.
New-York.

31, Boulevard Haussmann,

Paris, 1st April 1880

Thos. A. Edison Esqr,
Menlopark, New Jersey.

Dear Sir,

Since I wrote you last on the 24th feby I am without any of your letters. — In answer to my cablegram of the 18th ultto I received however on the 26d your reply as follows:

"You may accept for me and sign any contract "which will produce a reasonable return and "will put a stop to the present intriguing which "will most quickly put telephone in practical "operation in France — Edison"

and have myself telegraphed you yesterday as per enclosed copy advising you that I had signed for you the contract for the disposal of your Telephone patents for France — a copy of said contract I forward to you by this steamer under separate & registered cover.

Mr Bailey speaks of going to New-York on a short visit, in about a week or 10 days & it is therefore useless for me to refer to any details of the negotiations of the last few weeks. – I may however say, that under no circumstances would I have accepted the Trust conveyed by your letter of Dec^ber 2nd with power of atty, could I have imagined, that in its bearing and consequences it would bring the tenth part of the excessive annoyances, intrigue and bickerings besides great loss of time, to which I have had to submit ~~t~~ during the late negotiations here.

Mr Bailey's never ceasing activity and perseverence against frequent difficulties to keep up and further the interest represented by your patents deserves all praise. It was the Aubeyon's group which gave him the first helping hand, this fact and the influence they represented, made me advise you in favor of that contract – I desired however certain modifications, a greater precision on many points, especially as to the minimum sum to be paid for the patents, a fixed limit of time within which the Company had to be formed

2d sheet.

DREXEL, HARJES & CO.
PARIS.

DREXEL & CO.
Philadelphia.

DREXEL, MORGAN & CO.
New-York.

31, Boulevard Haussmann,

Paris, 1st April 1880

a sufficient sum to be named which the parties would be willing meanwhile to expend for pushing and developing before the public the Edison Telephone, and particularly a complete cancellation of the so-called "option" clause, which both the Bailey - as well as Puskas - party claimed and under which they reserved for themselves the option till December of this year to withdraw from the undertaking and be re-imbursed by you in cash for all their expenditures. I was unable to succeed with the Auberjon-group but carried all the points first named with the party represented by the Banque Franco Egyptienne (Société de Crédit Industriel & Commercial, Société Financière, A. Heine of A. & M. Heine, Reinach of Kohn Reinach &c &c) and finally closed with them, to which, much to my gratification, both Mr. Bailey as well as Mr. Puskas expressed their entire satisfaction, all the more gratifying to me as both had to sign the contract (representing sundry interests).

You will notice that Article 5 of the contract provides for a non-formation of the Company, all what the party represented by the Banque Franco Egyptienne is to receive however as a reimbursment for all expenses incurred, is limited to a part-ownership of the patents, i.e. their expenditure gives them a proportionate ownership of the patents as a total of fr 500,000 would bring them 60%.

Although I had no cause to fear that their expenses might be unreasonably increased, mainly by charges for securing certain indirect influences or newspapers under their own control or ownership and thus run up a large bill for which eventually a large percentage of ownership of the patents could be claimed, I thought best to provide a control till the formation of the Company, both as to the expenditures as well as selection of the Board of Directors of the new Co. Much against my inclination I have been compelled to accept that position myself in absence of any other suitable party here.

A day before closing the contract I was

3d sheet.

DREXEL, HARJES & CO.
PARIS.

DREXEL & CO.
Philadelphia.

DREXEL, MORGAN & CO.
New-York.

31, Boulevard Haussmann.

Paris, 1st April 1880

approached by the Gower telephon. Co. represented by Mr. d'Erlanger as to selling your patents to them. — I thought it to your interest not to entertain their overtures but thought proper to guard your name and therefore your interest (as provided for in Article 7) in case a fusion should after all take place.

In my negotiations for the disposal of your patents I tried to secure two objects, the one an immediate return in money as large as possible, the other, a proper development of your telephone before the French public. and had I been sole owner of your patents I should not have been able to secure better terms.

Since signing the contract, the Banque Franco Egyptienne and Mr. Bailey have represented to me the advisability of making a present of five per cent (to be borne equally by the parties to the contract, i.e. yourself and the Banque

Franco Egyptienne) to Mr Tenty to which I felt contraint to consent for your interest. Mr Tenty was the principal party to the late Aubrejon's contract, (he is a member of the french chambre des députés) a man of influence, part owner of sundry newspapers "La France", "Le petit Journal" (the latter with a circulation of about 600,000.) and others, in which already some weeks since long articles appeared in favor of your telephone and the object is thus to recompense Mr Tenty for past services and to secure his continued good will and influence, as naturally he feels rather hurt not to have himself secured the contract —. Mr Bailey however can give you full particulars about this —. Besides what goes to Mr Tenty, the Syndicate represented by the Banque Franco Egyptienne has to give, I am told, <u>twice 5%</u> to other parties for certain influences so that in reality the Syndicate reains for itself not <u>60%</u> but <u>only 47½ %</u>

I have had several interviews with the

4th Sheet

DREXEL, HARJES & CO.
PARIS.

DREXEL & CO.
Philadelphia.

DREXEL, MORGAN & CO.
New-York.

31, Boulevard Haussmann.

Paris, 1st April 1880

Director of the Banque Franco Egyptienne as to the appointment of a proper chief Director together with the necessary staff to immediately commence active business and development of the enterprise and to judge from present appearances the Banque Franco Egyptienne seems desirous for an early formation of the new Company.

I shall keep you advised as anything of special interest occurs.

I remain, Dear Sir,

Yours very truly.

John W. Harjes

1

Apl 1st 1880

Harjes Paris

All right

Edison

5 Menlo Park apl

2 20 pm

by Ho

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

This Company **TRANSMITS** and **DELIVERS** messages only on conditions, limiting its liability, which have been assented to by the sender of the following message.
Errors can be guarded against only by repeating a message back to the sending station for comparison, and the Company will not hold itself liable for errors or delays in transmission or delivery of **Unrepeated Messages.**
This message is an **UNREPEATED MESSAGE** and is delivered by request of the sender, under the conditions named above.

A. R. BREWER, Sec'y. NORVIN GREEN, President.

Dated Paris Via Nyork 4/2 1880 11 AM

Received at

To Edison
Menlo Park

Edison N.Y. Auberson contract was accepted and agreed to sign last saturday when misunderstanding occurred which entreated us all to agree accept May's contract misunderstanding corrected monday too late for retraining which was agree saturday have today effected friendly settlement by which Auberson partly remain interested and entering is now forming for all Europe both parties entering

Bailey

READ THE NOTICE AT THE TOP.

59 Collect

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

A. R. BREWER, Sec'y. NORVIN GREEN, President.

4 15 Pm

Dated New York 3d apl 1881

Received at

To T A Edison

Have you received draft of agreement from Bailey and have you advices from Harjes that would warrant you in signing it I want your decision before cabling Bailey answer immediately to Park ave Hotel New York

Elgrey

35 NH Hog

READ THE NOTICE AT THE TOP.

(W.U. 3)

Elisha Gray
Park ave Hotel
New York

Received no agreement but Harjes has accepted for me the Franco Egyptienne bank contract, you better rely on Harjes

Edison

T. A. EDISON,

Menlo Park, N. J., Apr 4 1880.

Western Electric Mfg Co

We received telegram from you to ship two telephones & prices asking for number — which was done. and now receive a letter from you ordering ten. Let us know about this. Do you want ten more or eighty more — see your letter & telegram

Very truly
Yours
A. Edison
Superintendent

Want 10 more
Delivered orders -
2 for one shipment
10 " another

Ans 5.

T. A. EDISON,

Menlo Park, N. J., Apr 4 1880.

Western Electric Mfg Co

We received telegram from you & ship two telephones to your address for Boston — which was done and now receive a letter from you ordering ten. Let us know about this & you want ten more or eighty more — see your letter carefully

Very truly
T A Edison
Superintendent

Want 10 more
Duplicate orders -
2 for our shipment
10 " another

AMB

[ATTACHMENT]

Mr P Please send this back

WESTERN ELECTRIC MANUFACTURING CO.
82-68 NEW CHURCH STREET.
NEW YORK.

CHICAGO,
220-232 KINZIE STREET.

APRIL 2-ND, 1880.

MR. PHELPS:—

EXPRESS TEN UNIVERSAL TELEPHONE SETS WITH PONY CROWNS, AND TEN MOTOPHONES COMPLETE TO BANKER CARE OF DREXEL HARJES & CO. PARIS, FOR EXHIBIT IN COUNTRIES EXCLUDING FRANCE. CABLE ME PARIS WHEN SHIPPED.

HASKINS

37 Pinnacl

T. A. Edison Esq
Above is copy of
Cable just received from
Haskins — Get the
Motophones ready soon
as possible and send here —
Please answer —
We look for the Baton
in three or four days.
Yours
G. M. Phelps Supt.

AHE2

At Depot Jersey City
April 7. 1880.

T. A. Edison
Menlo Park N. J.

Dear Sir:- I came here for the ~~4.30~~ train intending to remain an ~~hour at~~ Menlo Park and then get the through train for Chicago at New Brunswick at 7.00

But the gateman refused to let me through on my Chicago tickets to get your train and while I was buying a ticket for Menlo the train went off. I know however the reason of this piece of bad luck. It was because this visit had reference to the French business, and no one can do even so much as merely to talk about

that, let alone doing anything about it without getting all mixed up and not knowing whether he is afoot or on h. b.

I could not possibly stop and take a later train for I have my wife with me and have arranged so that we must be in Pittsburgh tomorrow.

I enclose a cable received today from Bailey.

From this I see that things in Paris are the same as ever.

If Mr Harjes has executed the May contract Bailey approving as seems to be the case (May is the Bank Franco Egyptien) then that was the best thing to do undoubtedly. I have nothing special to say about European affairs except that if I owned any interest there and could find any man to whom I could give it away I should lose no time, — in getting rid of it.

By the way I have looked over the paper I said you fifty dollars for to see if you can compel me to take any of the stock without my paying anything for it. I find that I am safe there.

Dilberjon seemed a nice chap. There was a chance that they would make something out of the Telephone.

I have less expectations from May.

Bailey has worked hard all the season. He has done some good work. He has been very devoted to your interests and has wanted to do well for

the telephone so as to get a show in Electric Light.

But so far those against him have been more than those in his favor.

But if he is coming over he can tell you all about it, and as nobody pays me for my efforts I shall cheerfully resign anxiety in regard to Europe.

What Bailey refers to in his dispatch about people who want to enjoy fruits of others labors I dont know — I always knew there were such people around — I suppose some of them have appeared in Paris.

All the indications to me are that Hayes is a white sort of a man. He is the most suitable man I know of for you to leave your power with at present —

Yours
McClaton

I presume I shall have a chance to see you within a short time.

Blank No. 2.

No. 1st 68

CABLE MESSAGE.

THE WESTERN UNION TELEGRAPH COMPANY.

All CABLE MESSAGES *received for transmission must be written on the Message Blanks provided by this Company for that purpose, under and subject to the conditions printed thereon, and on the back hereof, which conditions have been agreed to by the sender of the following Message.*

A. R. BREWER, Secretary. NORVIN GREEN, President.

Barton
58 Church Street
Ny.

Received at WESTERN UNION BUILDING, BROADWAY and DEY STREET,
New York, 4ma Apl. 7th 1880.

Aubergols was accepted but difficulty
last moment left acceptance may have bought
place giving aubergon indemnity Detail
fourteenth pensylvania make visit tomorrow
tell him situation mixed make no engagements
European matters pending.
40 Total 74 Paris

Blank No. 3.

No. 2d 68

CABLE MESSAGE.

THE WESTERN UNION TELEGRAPH COMPANY.

All CABLE MESSAGES *received for transmission must be written on the Message Blanks provided by this Company for that purpose, under and subject to the conditions printed thereon, and on the back hereof, which conditions have been agreed to by the sender of the following Message.*

A. R. BREWER, Secretary. NORVIN GREEN, President.

Received at WESTERN UNION BUILDING, BROADWAY and DEY STREET,

New York, 1 30 a apl 7 1880.

my arrival has new friends who have tasted and desire take fruit others Labors not to reply decisively Even to my own telegrams - sent to satisfy others shall send him be such tomorrow

Heraclite

34 a

N.P.

Apl 7. 80

Paris
Via NY 7

Edison
Menlo Park

Parties here interested know whether whole or part twenty five thousand stock remains in treasury Telephone Company Europe Cable fully
Bailey

24 Collect

N.P.

Apl 8. 1880.

Heraclite Paris

All in treasury

5 Menlo Park apl 8

N.Y.

Paris via N.Y. 11

Apr 11. 80
8 40

Edison

Entire accord always
with Harjes difference was
about Harrison arranged by
leaving him out our relations

Bailey

18 Collect
79

DREXEL, MORGAN & CO.
Wall St. Corner Broad.
New York.
DREXEL & CO.
Philadelphia.
DREXEL, HARJES & CO.
Paris.

New York April 14 1880

Thos. A. Edison Esq
Menlo Park,
N.J.

Dear Sir,

We have received the following cable from Drexel Harjes & Co. Paris:

"Syndicate Edison new Company requires receipts for preparations of cartons for telephone. Do you authorize A. Harjes guarantee that you will furnish said receipts without extra charge considering it embraced in sale of patents? Reply by cable"

to which kindly enable us to reply

Yours very truly,
Drexel Morgan & Co

We have embodied the above in a telegram sent you this morning, which is hereby confirmed

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

A. R. BREWER, Sec'y. ~~#~~ 2 NORVIN GREEN, President.

Dated Cable. 4/17 1880

Received at 9.30 am 4 of

To Edison Menlo Park New Jersey

Cable Harper to acknowledge to Franco Egyptian Bank that my interest in present French contract is half of yours as in former contract

Ruckas

28 Rue

READ THE NOTICE AT THE TOP.

JAMES W. WHITE. J. CLARENCE WHITE. HENRY M. LEWIS.

1 Enclosure

PUBLISHERS OF THE Dental Cosmos, A Monthly Journal. Price, $3.50, in advance.

TRUSTEES OF

SAMUEL S. WHITE,

Dental Depot,

Chestnut Street, Corner Twelfth.

Philadelphia, April 17 1880

T. A. Edison, Esq.
Menlo Park N. J.

Dear Sir,

Your favor of the 15th inst. duly received covering letter from Mr. Hayes. I enclose the letter herewith, & thank you for your courtesy. I should be glad to see copy of contract which Mr. H. signed for you, if you have received it & can loan it to me for a day or so. I presume Mr. Bailey has signed it for us but he has sent us no copy.

Yours truly
H M Lewis
per J. H. Wolfe

DREXEL, HARJES & CO.
PARIS.

DREXEL & CO.
Philadelphia.

DREXEL, MORGAN & CO.
New-York.

31, Boulevard Haussmann.

Paris, 17th April 1880

Thos. A. Edison Esq.
Menlo Park,
New Jersey.

Dear Sir,

I wrote you last on the 31st March and have since received, April 1st, your cable:

"All right – Edison".

Since then the Banque Franco Egyptienne has given its attention to the practical introduction and working of your ~~Edison~~ telephone in a manner which I think was all, if not more, than could reasonably be expected under the circumstances.

It would appear that the power of attorney you sent me Decber 2d and under which I have signed the contract referred to in my letter of March 31st does not altogether comply with the requirements of the french law. I have therefore been requested to have another power executed by you and I now enclose copy of a letter just received from the

Banque Franco Egyptienne along with a power such as would answer the purpose; please sign and return the same by first mail.

Above your signature you will please write as mentioned on the document in pencil

"Approuvé l'écriture"
(signature) Thos. A. Edison.

and have your signature certified by a public notary who will have to affix his official seal. The notary's signature requires to be certified by the French Consul in New-York.

The French law further requires that all the material appertaining to the telephones be manufactured in France. It is for this reason and again referred to in the enclosed letter of the Bque Franco Egyptienne that I cabled you on the 13th inst, through Messrs Drexel Morgan & Co

"New Company requires receipt for preparation" "of carbons for telephone do you authorize me" "guarantee that you will furnish said receipt" "without extra charge considering it embraced" "in sale of patents"

in reply

2d sheet — Thos. A. Edison Esq.

DREXEL, HARJES & CO.
PARIS.

DREXEL & CO.
Philadelphia.

DREXEL, MORGAN & CO.
New-York.

31, Boulevard Haussmann.

Paris, 17th April 1880.

Messrs Drexel, Morgan & Co have wired:

"Edison says will give receipt and furnish"
"Carbon buttons"

all of which I have duly transmitted to the parties here.

Please send me the needful at your earliest convenience which, together with the new power of attorney had perhaps better be forwarded to me through Messrs Drexel Morgan & Co.

I remain, Dear Sir,

Yours very truly

John W. Harjes

April 19-80

Hayes Paris

Puskas interest in
Contract just signed is
Equal to mine

Edison.

1 $ Menlo Park
apl 19-

815 a.m.
4 Ho

apl 20

Edison

Are in immediate want Carbon
buttons please forward supply
urgently required

Hayes

15 Paris

Baldwin Express

4 Apl 20, 80

Marjes Paris

You have a press there

Shall we not send the Carbon for moulding there

Edison

17/ Menlo Park NJ
apl 20, 80

3 21 Apl 80

4 Apl 22 80
Paris

Edison
Menlo Park N.J.

Send Carbon 45, Avenue for moulding here

Marjes

12 Paris
cag

Cable Apl. 22d 1880
10½

Griffin Menlo Park New Jersey

Tell Edison Auberjon Banque
Nationale group combined with
Franco Egyptiene group and Drexel
Harjes have accepted all Europe
Contract which I bring for ratification
Capital Million and half hundred
fifty or two hundred down sail
Germanic 29 decide nothing pending
my arrival answer

Heraclite

48 Paris
HPG

JAMES W. WHITE. J. CLARENCE WHITE. HENRY M. LEWIS.

TRUSTEES OF

SAMUEL S. WHITE,

DENTAL DEPOT AND MANUFACTORY,

CHESTNUT STREET, COR. TWELFTH.

BRANCH HOUSES.
New York, 767 and 769 Broadway.
Boston, 13 and 16 Tremont Row.
Chicago, 14 and 16 E. Madison St.

Philadelphia, April 27 1880

Thos. A. Edison, Esq.
Menlo Park N.J.

Dear Sir

Your favor of the 20th inst. was duly received enclosing copy of contract with the Bangor Manufg. Co.

We herewith return the copy of contract & also hand you copy of a translation that we have had made. In the translation some of the idioms are rather imperfectly rendered, but they are probably near enough to give you a clear idea of the meaning of the contract

Yours Truly
H. M. Lewis
for Estate of S. S. White

Apl 23 80
12 m

Chicago Dec 23 0

T. A. Edison

Bailey Cable has agreement covering all Europe with party including Bank France Egyptienne Drexel Harjes & Jenty if details of such a scheme are right I think it would carry great power

E. M. Barton

32 524
Hol

N.P.

Cable

Apl 25 — 1880
6.06 P.M.

Edison
Menlo Park N.J.

Contract for Medin Consultation with Harjes proposed that this firm take fifth interest Contract made for Austria alone will benefit interest of individuals at expense of our general interests and will make doubtful acceptance by bankers of all Europe Contract remain uncommitted all European matters till my arrival Leave Tuesday for Liverpool

Cailey

89 Paris

Chicago Ill 26 Apl 26 1880
2 pm.

T. A. Edison

Following Cable from Bailey to me —
"Will you entertain proposition new Company subscribe one quarter capital of half million francs two directors their side three your What date would you ship tools and come yourself for one or two months reply fully this Cable informally authorized matter officially authorized next Tuesday on all Europe matter get Engagement Edison accept nothing other before my arrival answer this point: signed Bailey:

What shall I tell him on last point answer

E. M. Barton

78 Paid
Ho 9

I shall do nothing about countries outside France as I can do nothing. The patents belong to a Company of which I am a mere stockholder

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

A. R. BREWER, Sec'y. NORVIN GREEN, President.

Dated Cable Cable Apl 27 1880 215 pm

Received at

To Edison
Menlo park NJ

Coble Boiley Royal Hotel
Block friars London whether
shall find you menlo-
park about may tenth
important not delay
execution power mailed
nineteenth by Hayes liquidator
Waits Drexel Morgan
Coble advising of execution

Boiley

37 Paris
Hotel.

READ THE NOTICE AT THE TOP

T. A. EDISON,

/ Menlo Park, N. J., Apl 28 1880.

Bailey

Royal Hotel
Blackfriars
London

Allright.

Menlo Park N J

12/6 4to

NY 10 May 10, 80
1145

T A Edison

Have you returned Power of Attorney telephones to Harjes - reply -

Drexel Morgan & Co

9 Paid

I was mislaid just received will forward immediately

Edison

JAMES W. WHITE. J. CLARENCE WHITE. HENRY M. LEWIS.

TRUSTEES OF

SAMUEL S. WHITE,

DENTAL DEPOT AND MANUFACTORY,

CHESTNUT STREET, COR. TWELFTH.

BRANCH HOUSES.
New York, 767 and 769 Broadway.
Boston, 13 and 16 Tremont Row.
Chicago, 14 and 16 E. Madison St.

Philadelphia, May 10 1880

Thos. A. Edison, Esq
Menlo Park N. J.

Dear Sir,

Enclosed we hand you for perusal a letter received to day from Mr Geo. Walker, formerly of the U.S. Pneumatic Tel. Co & the American Speaking Telephone Co, & now Ld. Consul General to Paris. We requested Mr W., before he sailed for Europe, to investigate our Telephone interests in France & to report to us the facts. This letter is his first response. Please return to us after reading it.

Our last advice from Mr Bailey was to the effect that he intended to leave for N.Y. by Steamer Pennsylvania leaving Liverpool Apl 29. If he carried out that plan he is probably in N.Y. now.

Yours Respy
Trustees of S.S. White
H. M. Lewis

May 17, 80
9.00 Am

NY 17

T. A. Edison

Banker sails Saturday Amerigua
says have Telephone and light
in good shape do nothing
with Bailey

W. B. Meeker

1 Paid
HO 9

May 18, 80

4 N.Y. 18

Edison

Will come out tomorrow
afternoon

Bailey

5 Paid
HO 9

np

May 18 80
11 pm.

Edison
Menlo Park New Jersey

Bank wants receipt for making lamp black Puskas

10 Paris

May 21, 80
6 pm.

Edison Menlo Park New Jersey

Banker left today - I sail next Thursday - dont take any decision before we again - very important - closed Russian and Belgium Contracts - austrohungarian also settled - my brother got already Exclusive Concession in Hungary - am negotiating now Italy -

Puskas

42 Paris

cag

Subject: ..... In reply to yours of

WESTERN ELECTRIC MANUFACTURING CO.
92-98 NEW CHURCH STREET,
NEW YORK.

CHICAGO,
220-228 KINZIE STREET.

Barton - What shall you say regarding

T. A. Edison — May 21/80

Dear Sir:

Mr Barton received today calle from Haskins (from Brussel) as follows. "Here Bankers request "will you supply Edison Company "here exclusively Home next "week addressHaskins Brussel"

Mr Barton goes to Boston to-night - will return Tuesday morning - He desired me to inform you of above message

Yours truly
Geo. Phelps

3

May 21. 80

Puskas, Paris

Present opinion majority stockholders favorable all Europe contract, Desire no contracts separate committee, signed without previous submission to company. ~~Telegraph~~ Answer what done and, Doing, advise Barker if still in Paris

Edison

T. A. EDISON,

Menlo Park, N. J.,

1880.

35 Menlo Park 1 158

Mr
T. A. Edison

May 22, 80
12.20

Puskas leaves Europe next Thursday
Please await his arrival before
taking any decision. I understand
Mr Barker left yesterday

Yours
A Hegeweisch

19 Paid
HEG

1440

1440 / 70400
5760
2880
1152
1152
1152
1152

440
7600
6400

33000 / 48888
33000
15888

888888

NY 24

May 24 80
540

Edison

Lewis telegraphs will come
meeting us on train as
proposed by Griffin
I come nine o'clock
train

Bailey

17 Paid
Hol

TAE
S.S. White
R L Cutting
R L Cutting Jr
J W Bunker

Directors
European Tel Co

S S White Pres't
R L Cutting Jr Secy + Treas

May 24.50
List of Directors
Exel Co of Europe

ok file

Edison Telephone Company of Europe Limited.

New York, May 25th 1880.

You are hereby notified that in pursuance of a resolution of the Board of Directors of this Company, passed at a meeting held on the 25th day of May 1880, the Annual meetinf of the stockholders of the Company will be held on Friday June 4th 1880, at 2 o'clock P.M. at the office of the Company, No. 19 William Street, New York City.

The object of the meeting is to make the annual election of Directors, which should have been made on the Ioth day of May 1880 and for such other business as is authorized to be done at such annual meeting by the By-Laws of the Company.

Yours &c.,

H. M. Lewis,

Secretary pro tem.

DREXEL, MORGAN & CO.
Wall St. Corner Broad.
New York.
DREXEL & CO.
Philadelphia.
DREXEL, HARJES & CO.
Paris.

New York May 28 1890

Get information from Bailey

Thos A. Edison Esq
Menlo Park,
N.J.

Dear Sir.

We are this morning in receipt of the following cable from Mr J. H. Harjes, Paris:

"Attorneys for Bailey and Puskas "decline signing organization Congboy "telephones for France till I assure "them of their share off whatever por- "tion come to Edison. Ask Edison to "give you letter addressed to me giving "particulars of how much I shall hand "over to those parties and what portion "of expenses they have to bear. When you "have received such letter forward same "and cable contents so that I can act "immediately"

to which we ask your attention.

We are also in receipt of your letter of yesterday's date, and unless we hear

(2d Sheet T. A. Edison)

from you to the contrary, we shall cable the contents to Mr. Narjes tomorrow. Please therefore send your reply, by Mr. Griffin tomorrow -

Yours very truly,

Drexel Morgan & Co

Paris, June 12, 1880

Edison Electric Light Co.

New York, June 28, '80

New York
30 May '80

My Dear Lizzie

I took a seat in a car at 1 P.M. yesterday to come to Newlo, but I was not up to the dodges of the jewellymen. The car I was in was left behind & I came back to city. Joseph has been in Boston last two or three days but will be back Tuesday morning. So that Nine will be time to get assignments through & start out. Shall probably see you tomorrow. Yours in haste,

J. H. Bailey.

4 New York June 1. 1880

Griffin Morse Park.

Would be useful to Edison
have plain talk with
Barton about w.t. Gatner
unless signifies desire for
it Answer Windsor

D. Bailey

19 paid Lyxaf 1.15 pm

1/3d

DREXEL, MORGAN & CO.
Wall St. Corner Broad,
New York.
DREXEL & CO.
Philadelphia.
DREXEL, HARJES & CO.
Paris.

New York June 1st 1880

Thomas A. Edison, Esq
Menlo Park
N.J.

Dear Sir,

On 29th inst Mr Griffin promised us that he would send us your reply to our letter of 28th, asking for information, for Mr Hayes of Paris, as to what portion of expenses Bailey & Pristas have to bear "in the matter of the French Telephone Co. Not having received an answer we today wired you -

"Refer to our letter of 28th - How
" about expenses?"

which despatch is hereby confirmed.

Trusting you will let us hear from you as early as possible so that we can cable our Mr Hayes on the subject, we remain,

Yours very truly
Drexel Morgan & Co

T. A. EDISON,

Menlo Park, N. J., June 1st 1880.

E. M. Barton Esq
NY

Dear Sir

Referring to Mr Phelps letter of the 21st ult regarding the Cable from Mr Hawkins What reply if any did you make?

Very truly
T. A. Edison

T. A. Edison

Dear Sir

We did not send any answer. Did not know what answer we ought to send.

Yours truly
E M Barton
Secy

T. A. EDISON,

Meeting Friday June 4, 80

Edison Telephone Co of Europe

Menlo Park, N. J., June 1st 1880.

T A Edison Prest Ex com
H M Lewis V.P.
E. M. Barton Ex com
J H Banker
A L Griffin Secy Ex Com

Copy June 2 80
1110

Ny 2

T A Edison

Banker has arrived

R L Cutting

3 Paid

DREXEL, MORGAN & CO.
Wall St. Corner Broad.
New York.
DREXEL & CO.
Philadelphia.
DREXEL, HARJES & CO.
Paris.

New York June 2nd 1880

Thomas A. Edison, Esq
Menlo Park N.J.

Dear Sir,

We received this morning your favor of 1st inst. and at once cabled Mr Hayes as follows –

"Edison says proceeds sales French
" patents shared third Edison third
" Puskas third Bailey one third
" expenses borne by Bailey other
" two thirds expenses depends on
" original contract between Puskas
" and myself will be settled
" between us on his arrival.
" Hold both our shares pending
" settlement. Letter mailed."

You will observe that we omitted the word in your letter "as stated previous telegram" for the reason that we did not cable Mr Hayes on receipt of your letter of 27th May but waited for your answer in regard to expenses.

Yrs

We moved mention that Mr. Hay's despatch of 28th May, asked for a letter addressed to him. Your favors of 27th 28th May & 1st June are to our address but we have sent them on to Paris, and presume they will serve their purpose.

We are, Dear Sir

Yours very truly

Drexel Morgan & Co

John K. Porter.
Grosvenor P. Lowrey.
Geo. Wales Soren.
Chas Francis Stone.
Geo. S. Hamlin.
Wm. L. Porter.

P. O. Box 1836.

Porter, Lowrey, Soren & Stone,

Attorneys & Counsellors at Law,

No. 3 Broad St. New York.

June 4. 1872

Dear Sir. Please record the enclosed assignment.

The form is general, and is general for all purposes, partly with the object of making our title in the Company, for the purpose of making a basis for the stock.

Return this as soon as you have

Yours truly

[illegible]

3 hy June 8 1880

Griffin Menlo Park.

Indespensible you come Sorins office by nine fifteen train Edison also if possible but will do if he comes by eleven fifteen answer Card Isaac L. Miller corner Broadway and nineth. Plainfield from two o clock

Bailey

35 paid to at 12 10 a.pm.

To Newyork

T A Edison Menlo

Griffin coming out must papers wait for him answer

Bailey

9 A Hr answer AO

12 10 2 pm

All right will wait

6 Mayor James
Com Corman
Menlo Park
Dont fail to bring
contract Edison with
Puskas regarding
European telephone
especially that of
April ninth seventy
nine meet me nine
a clock
22 April Griffin
Hof

Proxy. H. Anstice & Co., Stationers, 23 Nassau Street, N. Y.

Know all Men by these Presents,

That Mr. J. Clarence White and Samuel S. White junior Executors of Samuel S. White, deceased.

do hereby constitute and appoint Henry M. Lewis.

Attorney and Agent for ~~me~~ us, and in ~~my~~ our name, place and stead, to vote as ~~my~~ our proxy at annual election of ~~directors~~ and at the annual meeting of the Edison Telephone Company of Europe Limited. to be held. June 4. 1880.
according to the number of votes ~~I~~ we should be entitled to vote, if then personally present.

In Witness whereof, ~~I~~ we have hereunto set ~~my~~ our hand and seal, this 4th day of June. one thousand eight hundred and eighty.

Sealed and Delivered in the Presence of

Richard E. O'Brien

J. Clarence White
Samuel S. White Jr
Executors
By Samuel S. White Jr

Assignments of patents and other interests in inventions relating to Speaking Telephones by Thomas A. Edison; J. Clarence White and Samuel S. White, Junior Executors of S. S. White, deceased, and Joshua H. Bailey and others, being the several instruments described as follows, to wit:

1. Assignment dated May 1st 1880 by Thomas A. Edison of all said inventions and patents therefor in Germany, Austria Hungary, Russia, Denmark Italy and Spain.
2. Assignment dated May 1st 1880 by Joshua H. Bailey and Thomas A. Edison of German patents No and No.
3. Assignment dated May 1st 1880 by Joshua H. Bailey and Thomas A Edison of Belgian patents No 49,976 and No. 50,040.
4. Assignment dated May 28th 1880 by Thomas A Edison to James H. Bankin, "Trustee" of Application for patent in Empire of Russia
5. Assignment dated May 28 1880 by Thomas A. Edison of Belgian patents No 43,984 and No 45,375.
6. Assignment dated May 28 1880 by Thomas A Edison of Spanish Patent granted May 6th 1878.
7. Assignment dated May 28 1880 by Thomas A. Edison of Application for patent in Empire of Germany
8. Assignment dated May 28 1880 by Thomas A Edison of Austrian Patents dated Jany 1st 1879 and Jany 8th 1879
9. Assignment dated May 28 1880 by Thomas A Edison of Italian patents of Feby 8. 1878 and July 4, 1878
10. Assignment dated May 31, 1880 by J. Clarence White and Samuel S. White, Junior Executors &c of all right and interest in inventions and patents of Phelps, Gray and Titch in Germany, Austria Hungary Denmark, Russia Spain Belgium and Italy.
11. Assignment dated June 3rd 1880 by Joshua H. Bailey.

J. Clarence White and Samuel S. White Jr. as Executors &c and George M. Phelps of Belgian Patent No. 49,994.

12. Assignment dated June 5th 1880 by Joshua F. Bailey, J. Clarence White and Samuel S. White Jr. as Executors &c. and George M. Phelps of German Patent No.

13 Assignment dated May 15 1877 by Joshua F. Bailey of all rights, interest in patents and inventions in Germany Belgium Denmark, Russia, Spain, Austria and Italy

having been tendered to the Company in execution of agreements made by said parties for the benefit of the Company

Resolved, that it is hereby recommended to the Board of Directors that said assignments be accepted by the Company.

Copy Telephone Co of Eu...
Resolution.
passed June 5. 1880

June 7. 1880

Griffin Menlo Park

Will come at ten

Bailey

*paid cyrof

8.10 pm

---

2 N.Y.7.

June 7, 1880

Griffin Menlo Park N.J.

Seen Bankers cutting down this morning. All agree issue Stock Edison tomorrow. Think harmonious whole programme should Puskas come talk nothing about annual meeting or French business till I see you early tomorrow morning. Tell Edison same My Telegraph address this afternoon Plainfield

Bailey

43 Paid Hrly

New York, June 8th 1880.

A special meeting of the Board of Directors of The Edison Telephone Company of Europe Limited, will be held on Friday June 11th inst., at 2 o'clock P.M. at No. 19 William St., New York. The object of the meeting is to take action on the report of the stockholders meeting held June 8th 1880, and inspect the issue of stock.

Henry M. Lewis,

Sec'y pro tem.

4 Newyork 10
Edison
N.P.
I'll come with the
two fifty-five train

Puskas

8 Pd ~~Ha~~ Xe 2 30 pm

John K. Porter.
Grosvenor P. Lowrey.
Geo. Wales Soren.
Chas. Francis Stone.
Geo. S. Hamlin.
Wm. L. Porter.

P. O. Box 1836.

Porter, Lowrey, Soren & Stone,

Attorneys & Counsellors at Law,
No. 3 Broad St. New York.

June 10 1880.

To the
Eaton Office Co.
of Europe Limited

As early as convenient, with reference to other more urgent business of the Company, we have to ask that you will send us on account of professional services to your Company, five hundred dollars ($500), together with amount of our bill for disbursements, herewith enclosed.

Yours
Porter Lowrey Soren & Stone.

Mr Barker
President.

[ATTACHMENT]

No. 3 Broad Street
New York June 1880

The Edison Telephone Company of Europe, Limited.

— To —

Porter, Lowrey, Soren & Stone Dr.

Disbursements as follows:

Paid for telegrams and postages	3 20	
" " Notary's fees on acknowledgements to assignments	9	
" " engrossing and having copies made of numerous instrument	28 70	
		40 99

June 11 1880.

Received of T A Edison one certificate of Stock for twenty 20 shares of the Stock of the Edison Telephone Co of Europe Limited on account of Telephone Contract. Said Certificate being made to A Hegeman.

Theo Sinkes

New York. June 11. 1880.

We. Walter L. Cutting. George Howard and Carlos H Howard.

on this day duly appointed inspectors of election to act at the annual election of directors of the Edison Telephone Company of Europe Limited being severally duly sworn, each for himself deposes and says that he will discharge the duties of his said office with fidelity and that he will not receive any vote but such as he believes to be legal, nor reject any which he believes to be illegal.

Sworn and subscribed before me this 11th day of June 1880.

W L Sears
Notary Public
New York County

W L Cutting
Geo Howard
Carlos H Howard

The inspectors above named hereby report to the meeting that the following named persons have received the highest number of the votes cast for directors and are elected viz. Thomas A. Edison James H Bankes. S. L. Griffin A. Hagemeier and J. F. Bailey.

T A Edison 418 votes
J. H Bankes 417 "
S L Griffin 418 "
A Hagemeier 417 "
J F Bailey 830 "

W L Cutting
Geo Howard
Carlos H Howard

New York, June 12th 1880.

Dear Sir:

A meeting of the Board of Directors of The Edison Telephone Company of Europe, Limited, elected at the annual meeting, held on the 11th day of June inst., will be held at the office of the company, No. 19 William Street, New York City, on Wednesday, June 16th inst., at 2 o'clock P.M.

Respectfully,

J. P. Bailey
~~A. M. Dawes~~,

Secretary.

Thomas A. Edison Esq.

JAMES W. WHITE. J. CLARENCE WHITE. HENRY M. LEWIS.

TRUSTEES OF

SAMUEL S. WHITE,

Dental Depot,

Chestnut Street, Corner Twelfth.

PUBLISHERS OF THE Dental Cosmos, A Monthly Journal, Price, $2.00, in advance.

Philadelphia June 12 1880

Mr R. L. Cutting
New York

Dear Sir,

I enclose the minutes of the meeting of directors of the E. V. C. held yesterday.

Will you kindly have one of your clerks enter them in the minute book & I will call & sign them when next in New York.

Yours truly
H. M. Lewis

[ENCLOSURE]

New York June 11. 1880

A meeting of the Board of Directors of the Edison Telephone Co. of Europe, Limited was held at 2 O'Clock P.M. to-day, at the office of the Company, No 19 William St.

Present, Jas. H. Banker, Thos. A. Edison
Robt. L. Cutting & H. M. Lewis

The President, Mr Banker in the Chair.

Mr Banker moved that the assignments heretofore tendered to the Company, as referred to in minutes of Meeting of June 5. 1880, be accepted on account of subscriptions to Stock, & that the Five Hundred Shares of Stock as subscribed be now issued to the subscribers as of record. Carried unanimously.

Mr Lewis moved that, inasmuch as it is desired to issue Certificates of Stock, which by Statute are required to be countersigned by the Treasurer, & inasmuch as the Treasurer elect is now absent in Europe, the office of Treasurer is hereby declared vacant, & Robert L. Cutting is appointed Treasurer pro tem, during the pleasure of the Board, Carried unanimously

Mr Banker presented contracts for account of the Company with parties in Belgium & Russia.

On motion the Meeting adjourned

H. M. Lewis, Secy

Plainfield NJ 6/16/80

To Edison

I. Force selling at price named yesterday. An answer for Lecoto which makes majority telegraph Early about adjourning directors meeting

Bailey

2 O para Ho
af 10/7 am

John K. Porter.
Grosvenor P. Lowrey.
Geo. Wales Soren.
Chas Francis Stone.
Geo. S. Hamlin.
Wm. L. Porter.

P. O. Box 1836 [redacted]

Porter, Lowrey, Soren & Stone.
Attorneys & Counsellors at Law.
No. 3 Broad St. New York.

June 18th, 18

Dear Mr. Edison.

[redacted] I enclose a copy of a letter sent from Paris to a very eminent member of our bar, and a gentleman of the very highest character, who thinks it unnecessary for the present, as I do, that either the name of his correspondent or his own, should be disclosed to you. His relations with people in Paris are very influential, and whatever he says, and I should judge whatever his correspondent has said, may be regarded as very trustworthy. He represents to me that this gentleman who wrote the letter is a person of very large influence, both in business and in social and political circles in Paris, and that he supposed he had secured interests which would be of great advantage, both to yourself and to him; but you can see from the tone of his letter, that he is somewhat crossed by the situation in which things have been placed there by persons claiming to represent you

I send the letter merely for what appears upon its own face, and if you think it deserves attention, I will, under proper reservations, and especially for the purpose of avoiding any unpleasantness with anybody, tell you farther what he ~~sent~~

2

said to me in submitting the letter. Our friend goes to Paris, next week, I think, and perhaps it might be for your advantage to meet him, after consulting with Mr. Banker or Mr. Puskas, or anybody else, to whom you wish to refer, in respect to the subject of the letter.

Yours truly,

[redacted]

John K. Porter.
Grosvenor P. Lowrey.
Geo. Wales Soren.
Chas Francis Stone.
Geo. S. Hamlin.
Wm. L. Porter.

P. O. Box 1836.

Porter, Lowrey, Soren & Stone,
Attorneys & Counsellors at Law,
No. 3 Broad St. New York.

3 enclosures

June 21 1880

Edison Telephone Co of Europe Limited.
Gentlemen

Herewith find 3 assignments from Edison to the Co – borrowed from you some days since – (Nos 5, 8, 9)

Very Respy.
R. O'Brien
for Mr. Soren

June 21 80

Harjes
Paris

I authorize and specially request that you receive on deposit funds relating to Russian Telephone interests

Edison

Menlo Park
21st

-Gcc

T. A. EDISON,

Menlo Park, N. J., June 23 1880.

Theo Puskas
27 Pine St Can A Hegewisch
NY

Harjes Cables No deposit
has yet been offered him

Edison

10 Collect

9 50
9 40

June 23 80

Edison

Shall certainly receive
any deposit tendered thus
far nothing offered

Harjes

14 Paris

DREXEL, HARJES & CO.
PARIS.

DREXEL & CO.
Philadelphia.

DREXEL, MORGAN & CO.
New-York.

31, Boulevard Haussmann,

Paris 23 June 1880

Dear Sir,

Messrs. W. Kiesow & Co, placed with us for your account from E. H. Meyer & Co, St. Petersburg, Two thousand francs, say f2000 — which we have placed to your credit. We are, Dear Sir, faithfully Yours,

Drexel Harjes & Co

Jas. H. Parker, Esq,
c/o Messrs. Drexel, Morgan & Co,
New York.

1 June 25. 1880

Elizabeth N J 25 1040

T. A. Edison

Unless special reason contrary think ought order for Russia Belgium Western Electric will see you tomorrow with Paris advices, Going Phila today Bailey

22 paid 49

PAUL BOUQUIÉ,
INGÉNIEUR,
41, Avenue de la Toison d'Or,
—48—
Télégrammes : PAUL BOUQUIÉ, Bruxelles.

Bruxelles, le 25 Juin 1880

Monsieur James, H. Banker,
President of the Edison téléphone Company of Europe Limited
New-York.

Cher Monsieur,

Mr. Ch. Haskins vous aura déjà donné de mes nouvelles à son retour aux Etats Unis.

Je ne vous ai pas encore écrit depuis son départ de Bruxelles, premièrement parceque nous avions commencé des négociations avec la société de Wm Gotendorf et De la rueleye, comme je vais vous l'expliquer, et je voulais vous les communiquer quand elles seraient terminées, ensuite aussi parceque je vous ai télégraphié le 12 Juin, et j'attendais votre réponse qui ne m'est pas encore parvenue.

Voici la dépêche que je vous ai adressée le 12 Juin:

„ Cutting – 19 William Street – New-York.
„ Order Banker hundred sets with supplies
„ télégraph delay. — „ Bouquié „ —

Peut-être ce télégramme ne vous est-il pas bien parvenu, puisque vous ne m'avez pas répondu; Nous désirons avoir le plus tot possible des instruments pour pouvoir mieux

faire connaître les téléphone Edison en Belgique.
Veuillez donc nous faire envoyer à mon adresse, via Anvers, au moins cinquante Universal desk sets avec Pony-Crosses, et tous les appareils du bureau central pour cinquante abonnés.
= avec cinquante, nous aurons assez pour le moment les autres pourront venir après. — La moitié, soit 25 téléphones peuvent être avec Magneto-Call dont j'ai déja demandé 2 échantillons à M. Harkins.

Nos négociations avec la Société de M. Delavaleye et Gotendorf ont duré pendant trois semaines, mais malheureusement elles n'ont pas réussi. Nous leur avions demandé le paiement de Vingt cinq mille francs cash, et ensuite trente francs par année pour chaque téléphone mis en service. Nous avions aussi un bénéfice sur la vente des instruments.
Ces Messieurs voulaient avoir seuls le droit de fabriquer en Belgique, tandis que nous voulions en acheter une grande partie en amérique où les fabriques beaucoup mieux qu'ici. — c'est surtout pour cette raison que nous avons rompu les négociations.
J'oublie de dire que nous imposions l'obligation d'avoir toujours au moins 55% des téléphones Edison en service, c'est à dire qu'ils pouvaient avoir seulement 45% de power ou d'autres. —

Les affaires de téléphones ont beaucoup changé en Belgique depuis votre départ, et paraissent plus difficiles. – Le gouvernement n'a pas encore donné les concessions, et il est probable que des conditions très difficiles seront imposées pour l'exploitation, parce qu'il y a déjà 4 ou 5 concurrents entr'autres la international Bell téléphone Cny qui fait beaucoup de tapage avec les téléphones Blake que le public trouve très bons – La Bell Cny a déjà formé trois sociétés à Anvers, Bruxelles et Liège, et elle annonce ici que le téléphone Edison n'est pas aussi bon que les Blake; que ceux-ci sont adoptés en amérique, et que aux Etats-Unis on ne veut pas des Edison – c'est une concurrence très difficile pour nous, surtout que nous n'avons pas assez d'instruments. – C'est pour ces motifs que nous avons cherché à nous associer avec la Société de W. Gotendorf pour avoir plus de force contre eux. – Il est possible qu'il sera nécessaire de faire une fusion entre toutes les sociétés, et peut-être que le gouvernement l'exigera pour donner des concessions, afin de ne pas avoir plusieurs services différents dans chaque ville.

Je vous prie de m'écrire le plus tôt possible pour me dire quand nous recevrons les instruments.

Vous nous avez aussi promis de nous envoyer la ratification par la Edison Cny of Europe de notre contrat avec vous. Je vous prie de nous envoyer cette ratification qui nous est nécessaire –

Avant de faire notre société nous voulons aussi attendre que le gouvernement ait donné les concessions afin de savoir quelles conditions nous obtiendrons.

Vous savez que M. Janson a envoyé, il y a longtemps un mémoire au ministre contre la demande de M. Bède sur les brevets Edison & Bailey. — Le ministre n'a pas encore répondu, mais il est certain déjà maintenant qu'il n'admettra pas la demande de M. Bède.

Si vous voyez M. Haskins, prié le de m'écrire Il m'a promis plusieurs renseignements que je lui ai demandés.

En attendant votre réponse je vous présente mes salutations très distinguées.

P. Bouquié

Ayez l'obligeance de m'envoyer un télégramme seulement pour me dire que vous avez reçu cette lettre. —

Nous avons fait quelques démarches pour l'Italie, l'Espagne et la Hollande, mais vous ne m'avez pas donné encore de pouvoir de m'occuper du téléphone Edison dans ces pays.

Bruxelles Janv 25, 80
Paul Bouquié

Edison
et Cie

3 N.Y. 26

T A Edison
Menlo Park

Important & favorable
replies from Paris
received. Have you any
thing from London
answer plainfull. will
ride over see you to-
-morrow if Cable
unless addressed to contrary

26 Paid Bailey
Ns 1 mb
Gc

N.P.

June 29 80
2 32

Griffin

Have cabled Paris telegraph Plainfield if anything worth while from London

Bailey

11 Paid

CAMILLE RIED,
General Importer
AND
COMMISSION MERCHANT,
42 CHAUNCY STREET,
BOSTON, MASS.

Boston, July 1st 1880.

Thos. A. Edison Esq.
Menlo Park. N.J.

Dear Sir:-

At the instigation of a company of bankers in Germany, in whose interest I act, I beg leave to address you for the purpose of enquiring of you if you are willing to enter into negotiations with me for the introduction of your telephone into Europe, England excepted. Will you please state the advantages that your system has over that of Bell and if the patents that Bell holds for different countries are an impediment to the introduction of your system in those places.

I am also instructed to ascertain if you would be willing to treat with us in reference to your Electric Light, in case you should reach a conclusion in the matter,

CAMILLE RIED,
General Importer
AND
COMMISSION MERCHANT,
42 CHAUNCY STREET,
BOSTON, MASS.

Boston, ... 18

or at large, for any other new invention of yours.

I have to repeat, that I address to you this letter as an Agent of some of the wealthiest & most influential bankers of Germany & beg of you to keep this matter secret.

Please favor me with an early reply & oblige.

Resp. Yours

Camille Ried

T. A. EDISON,

Menlo Park, N. J., July 3 1880.

P. Hegewisch
W S Rolling Stock Co
Wallst
NY

There are two cabs in Memphis for Russia

Edison

Cable

T. A. EDISON,

1115 Menlo Park, N. J., July 8 1880.

Bouquie Brussells

Hundred instruments with Magneto Calls and Two Switch Boards Two Thousand and fifty dollars. ~~Deposit the~~ telegraph transfer this amount Drexel Morgan New York and will ship ~~the~~ material

Griffin
Secretary Edison
Telephone Company

32 Paid
Mpark NJ July 8

11 Am
G Ra

T. A. EDISON,

Menlo Park, N. J., 1880.

	Switchboards	85000
	2 . 350 .	850 00
		350.00
100, insts	$8.50.	2,050,00
100 magneto Calls	$8.50 50/100	
2 Switch Boards,	$3.50. 50/100	
	2 0 5 0 00	

T. A. EDISON,

Menlo Park, N. J., July 10 1880.

Paul Bouquie Bruxelles

Did you receive my Cable of Eighth instruments are ready Answer

Griffin
Secretary Edison
Telephone Company
of Europe

22 paid Menlo Park
10

30
8 Kn

T. A. EDISON,

3

Menlo Park, N. J., July 12 1880.
150 Bn

Griffin Secretary Edison Telephone Company Menlo Park NJ

Will telegraph transfer two thousand dollars in two days please send bill

Bouquie

To Bruxelles

T. A. EDISON,

Menlo Park, N. J., 1880.

Telegram

Menlo Park N J July 12. 80

Westn Elec Mfg Co

NY

Make for Bouquie immediately one hundred desk one hundred magneto Call boxes Switch boards for one hundred subscribers half of this order must go as soon as possible

Edison

[TRANSLATION FOLLOWS]

PAUL BOUQUIÉ,
INGÉNIEUR,
41, Avenue de la Toison d'Or,
—88—
Télégrammes : PAUL BOUQUIÉ, Bruxelles.

Bruxelles, le 12 Juillet 1880

Monsieur Griffin,
Secretaire de la Edison Téléphone Cy of Europe Limited.
Menlo Park

J'étais en voyage quand votre premier télégramme est arrivé ici; disant,
" Hundred instruments with
" magneto calls and two switch
" boards two thousand and fifty
" dollars telegraph transfer this
" amount Drexel Morgan New
" York and will ship material."
Votre seconde dépêche est arrivée ici hier dans la journée.
J'y ai répondu comme suit:
" Will telegraph transfer
" two thousand dollars into
" two days. Please send bill."
Je ne pouvais pas envoyer aujourd'hui cette somme parce que mon ami M. Spée est absent, et je devais lui télégraphier avant de faire le

[TRANSLATION FOLLOWS]

le paiement.

J'enverrai donc après demain la somme de 2050 dollars par cable à Mrs Drexel Morgan & New York.

Je suis surpris que le prix de cent instruments soit aussi élevé, car les universal desk sets ne coûtent que 8 dollars 45 c. et

Les pony crowns coûtent seulement 1 d 6 f c.

je croyais que les magneto calls valaient seulement 3 ou 4 dollars de plus que les universal desk sets.

Je vous ai donc prié de m'envoyer la facture (bill) de cette fourniture.

Je suppose que ces instruments ont été fabriqués par la Western electric manufacturing Co. à New York, car je suis fort satisfait des premiers téléphones que j'ai reçus ici comme échantillons de cette Cie.

Je suppose aussi que nous enverrez avec les deux switch board tous les autres accessoires (supplies)

[TRANSLATION FOLLOWS]

pour le bureau central, comme je l'ai demandé dans ma lettre à Mr. J. H. Banker.

Veuillez prier Mr Banker de me faire répondre à cette lettre, dans laquelle je lui donne toutes les explications nécessaires.

Agréez Monsieur, mes salutations très distinguées

J Bouquié

Veuillez m'excuser si je vous écris en Français, n'ayant pas assez l'habitude de correspondre en Anglais;

Veuillez aussi présenter mes salutations à Mr. Banker quand vous le verrez.

I was away when your first telegram was received here saying

"Hundred instruments with magneto calls and two switch boards, two thousand and fifty dollars telegraph transfer this amount Drexel ~~and~~ Morgan New York and will ship material."

Your second despatch has arrived here in the last day.

I replied to this as follows -

"Will telegraph transfer two thousand dollars in two days, please send bill"

I cannot send at the present time this sum because my friend, Mr. Spee, is away, and I ought to telegraph to him before making the payment.

I shall forward the sum of 2050 dollars by cable to Messrs Drexel and Morgan in New York.

I am surprised that the price of one hundred

instruments should be so high, because the universal desk sets cost only 8 dollars and I believe that the magneto calls are valued at only 3 or 4 dollars more than the universal desk sets. I would therefore ask if you would be so kind as to send the bill of the same.

I suppose that these instruments were made by the Western Co. in N. Y. because I am satisfied from the first telephones that I have received here as samples of this company.

[3]

I suppose also that you send with the two switch boards all the other accessories for the central bureau, as I have requested in my letter to Mr. Banker.

Will you please ask Mr. Banker to reply to this letter in which I have given him all necessary explination.

Yr Compliments

P. Boaquie.

P. S. Please excuse me for writing in French as I am not familiar with the English language enough to corre-

[4]

[TRANSLATION]

Spond,

Please give my regards to Mr. Bauker when you see him.

Subject: ..... In reply to yours of .....

WESTERN ELECTRIC MANUFACTURING CO.,
62–68 NEW CHURCH STREET,
NEW YORK.

CHICAGO,
220-232 KINZIE STREET.

July 14 1888

T. A. Edison Esq
Menlo Park N.J.

Dear Sir:
I enclose bill against the Edison Co of Canada

Apparatus Sent	335.77
Hasbins Expenses & Services	217.91

Which please put in the way of settlement —

You have never charged us for the Matathone billed herein — They came from you — If you prefer you can settle about them direct yourself — Notify us if so & we will credit them back — Otherwise please send us a bill for the twelve —

1382
12
2770
1382
16590

6 desk
8 box

Yours truly
Geo N Phelps

H. S. RUSSELL, President. W. H. FORBES, Vice-President. C. EMERSON, Treasurer.

THE CONTINENTAL TELEPHONE COMPANY.

No 95 Milk Street.

P. O. BOX 3318.

Boston, Mass., July 14 1881

Thos. A. Edison Esq
Menlo Park
New Jersey

The Continental Co Telephone Co

Dear Sir

Will you so far favor me as to give me the names of the parties who own your Telephone Patents in Italy, Russia, Spain, Portugal & South America? Pray pardon the trouble

Very truly yours
H. S. Russell
Pres.

T. A. EDISON,

Menlo Park, N. J. July 15 1880.

Paul Bouquie Brussells

When instruments ready
Shall Haskins go with them

Griffin
Secretary

14 Menlo Park NJ Paid

3 Aug

PAUL BOUQUIÉ,
INGÉNIEUR,
41, Avenue de la Toison d'Or,
—oo—
Télégrammes : PAUL BOUQUIÉ, Bruxelles

Bruxelles, le 18 Juillet 1880

Monsieur Griffin,
Secrétaire de la Edison Téléphone Cy of Europe
Menlo Park

J'ai l'honneur de vous confirmer ma lettre du 12 Juillet

Ayant reçu votre télégramme demandant si M. Haskins devait venir ici avec les instruments, j'y ai répondu hier comme suit

"Haskins must not come now.
J'ai expliqué à M. Haskins, avant son départ de Belgique, que je ne croyais pas lui demander de revenir ici, avant que nous ne soyions complètement organisés pour commencer l'exploitation des réseaux téléphoniques en Belgique.

Nous ne pouvons pas encore commencer cette exploitation parceque le gouvernement belge n'a pas encore donné les concessions que je lui ai demandées pour les différentes villes du pays.

aussitôt

aussitôt que nous aurons reçu ces permissions, j'examinerai avec mes amis, ce que nous devrons faire suivant les conditions posées par le gouvernement.

En attendant ce moment, je désire recevoir le plus tôt possible les cent instruments avec les accessoires, afin de les avoir prêts pour commencer aussitôt que cela sera nécessaire.

J'ai fait payer les 2050 dollars à Mrs Drexel Morgan, par l'intermédiaire de la banque de Paris & des Pays-bas qui a un correspondant à New-York.

Veuillez agréer, Monsieur, l'assurance de ma parfaite considération.

J. Bourgeois

JAMES W. WHITE. J. CLARENCE WHITE. HENRY M. LEWIS.

TRUSTEES OF

SAMUEL S. WHITE,

DENTAL DEPOT AND MANUFACTORY,

CHESTNUT STREET, COR. TWELFTH.

BRANCH HOUSES.
New York, 767 and 769 Broadway.
Boston, 13 and 16 Tremont Row.
Chicago, 14 and 16 E. Madison St.

Philadelphia, July 22 1880

Mr. K. L. Colling, Treas.
Edison Telephone Co. of Europe
New York

Dear Sir

Enclosed are bills against the Edison Tel. Co. of Europe, as follows,

for instruments sent by order of Mr Bailey	486.83
Patent Expenses paid to Baldwin Hopkins & Peyton	278.14
" " " " " " " "	196.53
as paid by Estate of S.S. White	$961.50

We also enclose a current showing balance against the Company of $66.49.

The bills for Patent Expenses are for fees necessary to keep the Patents alive until the assignments were in the possession of the Company. We have instructed Messrs Baldwin Hopkins & Peyton to pay no more expenses of this kind unless directed by the officers of the Company. We presume the Company will look after all such expenses in future. Messrs Cartmell & Co of London have acted as agents for B. H. & P. & are probably fully posted in relation to all these Patents. Please acknowledge receipt

Yours Respy Estate of S.S. White
per H. M. Lewis

[ENCLOSURE]

Folio.....

Philadelphia, July 22 1880

Mr Edison Telephone Co of Europe, Limited

New York

In account with { Estate of SAMUEL S. WHITE.

1880				1880			
June	25	To Cash Pat. Exps	278 14	Jany	1	By Balance per a/c	895 01
July	21	"	196 58			" " contd from	66 49
	1	" Instruments	48 83				
			961 50				961 50
July	22	To Balance	66 49				

H. S. RUSSELL, President. W. H. FORBES, Vice-President. C. EMERSON, Treasurer.

THE CONTINENTAL TELEPHONE COMPANY.

No 95 Milk Street.

P. O. BOX 3318.

Boston, Mass., July 22 1880

Dr Sir —

We are ready at any time to make an equitable arrangement —

The Edison Telephone Co of Europe, Limited
19 William St
New York

To Edison
Pres't

Gentlemen — Is there any probability that we may harmonize or consolidate our work in those countries where we represent — The Bell Telephone, Reis & Lotz, Russia, Spain & Portugal?

Yours very obedt servant
Henry H. Russell
Pres't.

THE WESTERN UNION TELEGRAPH COMPANY.

Dated New York 16 23 188

Received at

To Edison

Menlo Park N J

Please answer if and where you ordered telephone for missis answer Yoaid forty west twenty sixth st

Nattbeck

17 Paid mo

X 243 pm

40 west 26th st NY

Did not order but leave that to you - I suggest Western Electric Mfg Co New York Collect T A Edison

READ THE NOTICE AT THE TOP.

CH. KENNERLEY HALL
AVOCAT
Rue des Moulins 13
PARIS.
[LONDON: 15, GRAY'S INN SQUARE.]

Mr Bailey is not one of the
Mr Ewen's solicitors. He has
left Paris & is in Paris. He has
funds due him from this
Co. His present address
is Plainfield N.J. U.S.A.
I understand he is about to
return to Paris

Paris
5 August 1880.

Dear Sir,

While in Paris your Attorney, Mr Bailey, borrowed a sum of £200 from my client Mr George Waters for the purposes, as he stated, of the negociations relative to your Company. A great part of this sum is still due; but I am informed that Mr Bailey has left Paris, and has no longer anything to do with the Company here. I have had to take a Judgment against him and as he has not satisfied the Judgment the next step will be to have him declared Bankrupt and thus upset the arrangements that have been made by him with the other parties as to the Telephone. I do not of course wish to have recourse to any such proceedings, but the conduct of Mr Bailey fully justifies my doing so. I have also other clients to whom Mr Bailey owes large sums of money. Under these circumstances, I shall be extremely obliged if you will give me the present address of Mr Bailey, and inform me what is his present position.

In the meantime, you will please consider

this letter as notice to withhold any money which you may owe him or which may come into your hands for him.

Yours truly

Chas. M. Hall

Monsieur Edison
Menloe Park
New Jersey
(Etats Unis)

Paris Aug 5 1880
C. K. Hall
a Aug 14 80

2

H. S. RUSSELL, President. W. H. FORBES, Vice-President. C. EMERSON, Treasurer.

THE CONTINENTAL TELEPHONE COMPANY.

No. 95 Milk Street.

P. O. BOX 3318.

Boston, Mass., August 10th 1880

Prof. Thomas A. Edison. Pres.
Menlo Park.
N. J.

Dear Sir.

I have the pleasure of acknowledging the receipt of your favor of the 30th ult.

Will you kindly inform me what patents you hold in the Countries in which this Company is interested, viz. Russia. Italy. Spain and Portugal, also South America.

Very truly yours

H. S. Russell
President

Edison Tel Co of Europe
Have 9 Elec Pats
In Russia Italy
Spain Portugal
Belgium
Austria
Germany 1 Pat
Hungary pile
France 1877
Russia 1877

Norwich, Aug 14. 1880.

I hereby, for value received, sell and transfer to Joshua F. Bailey five shares of the Capital Stock of the Edison Telephone Company of all Europe, and will deliver certificate to him or his order as soon as I reach New York.

The certificate for said stock is in my private safe in New York, and I am temporarily kept here by sickness in my family.

Thomas Hartland

Norwich, Aug 14. 1880.

I hereby, for value received sell and transfer to Joshua F. Bailey seven shares of the Capital Stock of the Edison Telephone Company of all Europe, and will deliver certificate to him or his order as soon as I reach New York.

The certificate for said stock is in my private safe in New York and I am temporarily kept here by sickness in my family.

Thomas Hartland

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

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A. R. BREWER, Sec'y. NORVIN GREEN, President.

Dated Plainfield Aug 16th 1880

Received at Menlo Park

To T. A. Edison

Perhaps would accept offer discussed yesterday see you this afternoon or tomorrow morning.

Bailey

13 pd nulls 11.10 am

READ THE NOTICE AT THE TOP.

THE WESTERN UNION TELEGRAPH COMPANY.

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A. R. BREWER, Sec'y. NORVIN GREEN, President.

Dated N.Y. 16 188

Received at

To Dr T Edison

Menlo Park

N.J.

Telegraph me Plainfield whether offer four for option is made seriously

Bailey

11 paid OB/X 2 25 pm

READ THE NOTICE AT THE TOP.

Et les seize et dix sept Août mil huit cent quatre vingt Pardevant Me Dufour & Me Carré, Notaires à Paris soussignés, le dit Me Carré substituant Me Gustave Robin, son collègue, aussi Notaire à Paris, momentanément absent

Ont comparu :

1ent Mr Georges Lebey, rentier, demeurant à Paris Bd Haussmann N° 134;

2ent Mr Jules Lair, Propriétaire demeurant à Paris Boulevart de la Villette N° 204.

Agissant tous deux comme membres du Conseil d'Administration de la Compagnie des Téléphones, Société Anonyme, ayant son siége à Paris, rue Neuve des Petits Champs N° 66, et sous réserve de l'approbation de l'Assemblée Générale des Actionnaires de cette Société.

d'une part;

3ent Mr John Henry Marjes, Banquier, demeurant à Paris, Boulevart Haussmann N° 31;

Agissant au nom & comme mandataire de Mr Thomas Alva Edison, Ingénieur Electricien demeurant à Menlo-Park Etat de New Jersey (Etats-Unis) en vertu de la procuration qu'il lui a donnée par acte sous signature privée en date du onze Mai mil huit cent quatre vingt à Menlo-Park, dont l'original, certifié par Mr Griffin Notaire Public de l'Etat de New-Jersey, légalisé et enregistré, a été déposé pour minute à Me Gustave Robin, suivant acte dressé par lui et son collègue, Notaires à Paris, le deux Juin mil huit cent quatre vingt enregistré;

Expédition de la dite procuration délivrée par le dit Me Gustave Robin est demeurée ci-annexée après mention;

d'autre part.

4ent Mr Constant Rousseau, Receveur de rentes, demeurant à Paris Bd de Sebastopol N° 113;

Agissant au nom & comme mandataire :

1° de Mr Joshua Franklin Bailey, Négociant demeurant à Paris, Avenue de l'Opéra N° 45, tant en vertu des pouvoirs qu'il lui a donnés aux termes d'un acte reçu en minute par Me Theret & son collègue Notaires à Paris le 23 Avril 1880, enregistré et dont une expédition est demeurée ci-annexée après mention, qu'en vertu des pouvoirs contenus dans un acte de procuration et substitution du dix huit Avril mil huit cent quatre vingt déposé aux minutes de Me Theret Notaire à Paris et dont expédition en être ci-après annexée ;

2° Et de Mr Elisha Gray physicien demeurant à Chicago (Amérique du Nord) en vertu : 1° de la procuration donnée par Mr Gray à Mr Bailey sus nommé, suivant acte sous-signature privée dont l'original certifié le 8 Octobre 1878 par Mr James P. Petit, Notaire Public à Philadelphie légalisé & enregistré a été déposé pour minute à Me Gustave Robin, suivant acte dressé par lui & son Collègue, Notaires à Paris le 6 Avril 1880 ; 2° et de la substitution consentie par Mr Bailey à Mr Rousseau, aux termes d'un acte sous-signature privée, en date à Paris du 18 Avril 1880, enregistré, contenant procuration et substitution et déposé pour minute à Me Theret, suivant acte reçu par lui et son collègue notaires à Paris le 11 Mai 1880.

Expéditions desquelles procuration & substitution sont demeurées ci-annexées après mention.

Lesquels ont dit et fait ce qui suit :

I. La Compagnie des Téléphones a été formée suivant acte reçu par Mr Dufour soussigné, le 2 Février mil huit cent quatre vingt au capital de cinq millions de francs divisé en dix mille actions de cinq cents francs chacune. Sur ces actions, il en a été attribué en représentation des apports deux mille huit cents comme entièrement libérées et deux mille deux cents comme libérées de deux cent cinquante francs. Les cinq mille de surplus ont été souscrites par diverses personnes ou Sociétés et

stipulées payables en numéraire

Les Statuts sus-énoncés ont été suivis d'un acte aux minutes de Me Dufour, en date du treize février mil huit cent quatre vingt, constatant la déclaration de souscription des cinq mille actions payables en numéraire et du versement du quart sur chacune d'elles. A cet acte est jointe la liste des souscripteurs constatant l'état des versements.

Et la dite Société a été définitivement constituée aux termes de deux délibérations de l'Assemblée Générale des Actionnaires, en date des dix-neuf février et premier Mars mil huit cent quatre vingt dont les procès verbaux ont été déposés au rang des minutes du dit Me Dufour par autre acte du 10 Mars dernier enregistré.

Enfin la dite Société a été publiée conformément à la Loi, ainsi que le constatent les pièces déposées au dit Me Dufour par acte du sept Juin suivant.

II. D'un autre côté, il existe une exploitation de Téléphones d'après les systèmes brevetés de MM. Edison, Bailey & Gray.

Les parties ayant reconnu qu'il y aurait avantage & utilité:

1ent A réunir aux brevets que possède déjà la Compagnie des Téléphones, ceux que possèdent MM. Edison Bailey & Gray.

2ent A augmenter le capital social de la dite Compagnie par suite d'une émission d'actions dont partie serait attribuée en représentation de l'apport des dits brevets et partie payable en numéraire.

3ent Et à apporter diverses modifications aux Statuts de la dite Société.

Ont à cet effet, arrêté les conventions suivantes qui ne deviendront toutefois définitives qu'après que les formalités prescrites par la Loi auront été accomplies.

Article 1er.

M. Harjes au nom et comme mandataire de Mr Edison, apporte à la Compagnie des Téléphones ce que MM. Lebey & Lair ès noms, acceptent.

1o Un brevet d'invention pris en France, sous le numéro

121687 au nom de Mr Edison pour quinze ans qui ont commencé à courir le dix neuf Décembre mil huit cent soixante dix sept pour des perfectionnements dans les instruments pour contrôler, par le son, la transmission des courants électriques et la reproduction de sons correspondants au lointain.

Et un certificat d'addition à ce brevet délivré à Mr Edison le quinze Janvier mil huit cent soixante dix huit.

Est expressément réservé à Mr Edison et ne fait point partie du présent apport tout ce qui dans ce brevet et le certificat d'addition concerne le Phonographe.

En représentation et pour prix de cet apport, il est attribué à Mr Edison trois mille cent trente cinq actions entièrement libérées, à prendre sur celles qui vont être ci-après créées.

Article 2

Mr Rousseau, au nom & comme mandataire de MM. Bailey & Gray, apporte à la Compagnie des Téléphones, ce que MM. Lebey & Lair acceptent :

1° Tous les droits de Mr Bailey à la propriété et à l'exploitation des brevets & Certificats d'addition ci-après, mais seulement pour la partie qui se rapporte aux Téléphones à deux membranes que celles-ci soient convergentes ou parallèles, tel qu'il est expliqué dans la description en regard des figures 1, 4, 5, 6 & 7 du dessin annexé au brevet ; étant expressément réservées et ne faisant pas partie du présent apport, les parties qui concernent le Téléphone à membrane unique savoir :

Un brevet d'invention pris en France au nom de MM. Roosevelt & Breguet, sous le No 122,452, pour perfectionnements au Téléphone.

Et quatre certificats d'addition audit brevet accordés à MM. Roosevelt et Breguet les six Mai, huit Juillet, quatorze Septembre et vingt trois Octobre mil huit cent soixante dix huit.

Lesquels brevet et certificats d'addition ont été accordés pour quinze ans, à compter du cinq février 1878 et sont devenus la propriété de Mr Roosevelt seul, par suite de la cession, à titre de licitation que M. Breguet lui a faite de sa part, suivant acte reçu par Me Portefin, notaire

à Paris le vingt quatre Novembre mil huit cent soixante dix huit, lequel sieur Roosevelt a cédé lui-même à Mr Bailey la partie faisant l'objet du présent apport du dit brevet et des quatre certificats d'addition aux termes d'un acte reçu par Mes Tronsselle & Portefin, Notaires à Paris le quatre Décembre mil huit cent soixante dix huit;

3° Un brevet d'invention pris en France au nom de Mr Bailey pour un temps devant expirer le deux Mai mil huit cent quatre vingt douze, sous le N° 124600 pour des perfectionnements dans les téléphones parlants et leurs accessoires et d'un Certificat d'addition à ce brevet délivré à Mr Bailey le vingt huit Octobre mil huit cent soixante dix huit

4° Un brevet d'invention pris en France au nom de Mr Bailey pour quinze ans du sept Août mil huit cent soixante dix neuf, sous le N° 132137 pour une composition pour confection des boîtes de Téléphones

5° Un brevet d'invention pris en France, au nom de Mr Bailey pour quinze ans du huit Août mil huit cent soixante dix neuf sous le N° 132155 pour un système perfectionné d'électro-motographe;

6° Un brevet d'invention pris en France, au nom de Mr Bailey pour quinze ans du seize Août mil huit cent soixante dix neuf sous le N° 132270 pour perfectionnements dans les Téléphones magnétiques.

7° Un brevet d'invention pris en France, au nom de Mr Bailey pour quinze ans du dix neuf Août 1879 sous le N° 132315 pour perfectionnements dans les Téléphones à pile et d'un certificat d'addition à ce brevet délivré à Mr Bailey le quatre Octobre mil huit cent soixante dix neuf;

8° Un brevet d'invention pris en France au nom de Mr Bailey pour quinze ans du vingt un Août mil huit cent

soixante dix-neuf sous le N° 132357 pour perfectionnements dans la disposition & l'agencement des postes en communication télégraphique;

9° Un brevet d'invention pris en France au nom de Mr Bailey pour quinze ans, du douze Novembre mil huit cent soixante dix huit, sous le N° 127390, pour des perfectionnements dans les Téléphones Electriques et dans les appareils qui s'y rattachent.

10° Et un brevet d'invention pris en France au nom de Mr Gray pour quinze ans du dix Mai 1878, sous le N° 124406 pour des perfectionnements dans les Téléphones et leurs appareils accessoires.

En représentation & pour prix de cet apport, il est attribué à MM. Bailey & Gray sauf répartition entre eux, comme ils l'entendront cent soixante cinq actions entièrement libérées à prendre sur celles qui vont être ci-après créées.

Article 3.

Les apports ci-dessus ne comprennent que les brevets proprement dits. Ils sont faits sans aucune garantie.

MM. Harjes & Rousseau ès-noms s'engagent à faire profiter gratuitement la Société de tous certificats d'addition et de perfectionnement que pourraient prendre MM. Edison Bailey & Gray pour des brevets apportés, de même que de tous nouveaux brevets relatifs à la téléphonie à prendre par ces Messieurs dans le délai de cinq ans.

Tout le matériel et toutes les installations déjà faites en vue de l'exploitation des brevets, les cautionnements qui ont pu être fournis, les baux & locations, non plus que les abonnements sont expressément réservés aux personnes ou Sociétés qui en sont propriétaires.

Article 4.

Le Capital de la Compagnie des Téléphones qui est actuellement de cinq millions de francs est augmenté de trois millions six cent cinquante mille francs par l'émission de sept mille trois cents actions nouvelles de cinq cents francs chacune.

Sur ces actions nouvelles trois mille trois cents sont

attribuées comme on l'a vu ci-dessus entièrement libérées, en représentation des apports de MM. Edison Bailey & Gray.

A l'égard des quatre mille de surplus, elles sont à souscrire et seront payables en numéraire, moitié en souscrivant et l'autre moitié au fur et à mesure des appels de fonds qui seront faits par le Conseil d'Administration conformément aux Statuts.

Article 5.

Aux présentes est intervenu :

M. Frédéric Hershcim Directeur de la Banque Franco. Gyptienne ayant son siége à Paris Boulevart Haussmann N° 32 ici présent, agissant en la dite qualité

Lequel, connaissance prise de tout ce qui précède, s'engage es-qualité à souscrire ou faire souscrire sous quinzaine de ce jour les quatre mille actions payables en numéraire.

La déclaration notariée de souscription et de versement de ces quatre mille actions exigée par la Loi avec annexe de la Liste des souscripteurs et de l'état des versements sera faite par acte à la suite des présentes par MM. Lebey & Lair auxquels tous pouvoirs sont donnés à cet effet.

Article 6.

Ces présentes ne deviendront définitives qu'après que les apports de MM. Edison Bailey & Gray auront été examinés et approuvés et que la déclaration de souscription et de versement des actions payables en numéraire aura été reconnue sincère et véritable par les Assemblées Générales des Actionnaires, le tout conformément à la Loi.

Article 7

Par le fait de cette approbation, les Statuts de la Compagnie des Téléphones seront modifiés comme suit :

1ent L'Article 1er des Statuts du 2 Février 1880 est supprimé & remplacé par le suivant :

Article 1er Il est formé entre les propriétaires des actions ci-après créées une Société Anonyme sous la dénomination de Société Générale des Téléphones (Système Edison, Gower & autres)

2ent Le premier alinéa de l'Article 6 est supprimé et remplacé par le suivant :

Le fonds social est fixé à huit millions six cents

cinquante mille francs et divisé en dix sept mille trois cents actions de cinq cents francs chacune.

3ent L'Article 7 est supprimé & remplacé par le suivant :

Article 7. – Sur les dix sept mille trois cents actions représentant le fonds social, il en a été attribué en représentation des apports six mille cent entièrement libérées et deux mille deux cents libérées de deux cent cinquante francs seulement, les neuf mille de surplus ont été stipulées payables en numéraire, toutes ces actions seront au porteur.

4ent Le deuxième alinéa de l'Article 15 est remplacé par le suivant :

Le nombre des membres du Conseil ne pourra être supérieur à douze ni inférieur à sept. Ce Conseil sera renouvelable à raison de deux membres par année.

Article 8.

Pour faire publier ces présentes et les Assemblées Générales à l'approbation desquelles elles sont soumises, lorsqu'elles auront eu lieu, tous pouvoirs sont donnés au porteur d'une expédition ou d'un extrait.

Dont Acte.

Fait & passé à Paris Boulevart Haussmann N° 32 au siége de la Banque Franco-Egyptienne pour toutes les parties, sauf M. Harjes et pour celui-ci en son domicile les jour mois & an susdits.

Et après lecture faite, les parties ont signé avec les Notaires.

Form 3.

No.....

CABLE MESSAGE.

THE WESTERN UNION TELEGRAPH COMPANY.

All CABLE MESSAGES received for transmission must be written on the Message Blanks provided by this Company for that purpose, under and subject to the conditions printed thereon, and on the back hereof, which conditions have been agreed to by the sender of the following Message.

A. R. BREWER, Secretary. [redacted]ORVIN GREEN, President.

To Edison

Received at [redacted] 8 K.

Menlo Park Aug 17 1880

Was absent have extended

Maturity one month.

Harjes

11 Paris

Telegraph the to Bank

THE WESTERN UNION TELEGRAPH COMPANY.

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A. R. BREWER, Sec'y. (4) NORVIN GREEN, President.

Dated Cable Aug 18 1880

Received at 7.45 PM

To T A Edison
Menlo Park.
New Jersey

READ THE NOTICE AT THE TOP.

after endless vexations and legal difficulties have just signed papers amalgamating Edison and Gower under title societe general de telephones Edison Gower

Harper

28 Paris Ga 7 40 p

Memorandum.

From Drexel, Morgan & Co. Wall St. corner Broad, New York, Aug. 20 1880	To S. L. Griffin, Esq., Secy E. T. Co., Europe (Ld). Menlo Park N. J.

I have your memo of this date, addressed to me, asking that all moneys held by Drexel, Harjes & Co, Paris, be transferred to D. M. & Co., N. Y., and would state that I have spoken to Mr. Fabbri on the subject, who says that we can only transfer to the account here on a proper notice being received by D. M. & Co. from their Paris House.

Yours very truly

Chas. F. King

Subject: ..... In reply to yours of .....

WESTERN ELECTRIC MANUFACTURING CO.,
62–68 NEW CHURCH STREET,
NEW YORK.

CHICAGO,
220–232 KINZIE STREET.

August 20/80

T. A. Edison Esq
Pres. Edison Telephone Co.
of Europe —
Menlo Park N.J.

Dear Sir:

Can you oblige us by getting our account with your Company in the way of an early settlement?

Yours truly
Geo M. Phelps Jr
Supt.

Aug 23 1880

Griffin
Secretary Edison Co
Menlo Park
NJ

Where instruments
urgency Cable answer
Bouquie

12 Bruxelles

Aug 23, 80

Henry S Russell
95 Milk St
Boston

Messrs Bailey & Parker
will not be there
until tomorrow
S L Griffin

14 0 paid 50 ¢

Aug 23 80

J. F. Bailey
Parker House
Boston

Henry S Russell
ninety five milk St

S L Griffin

7 Paid 50 ¢

No 1

Aug 24 80

Bouquie
Bruxelles

Crowns went fourteenth
others go next Steamer

Griffin

10 260 paid
Menlo Parking
Aug 24.80

1 Pm
G. Ki.

NY 24

Aug 24 80
12 30

T. A. Edison

Telephone Directors meeting
Tomorrow at Cuttings one
Oclock

J H Banker

SDH

H. S. RUSSELL, President. W. H. FORBES, Vice-President. C. EMERSON, Treasurer.

THE CONTINENTAL TELEPHONE COMPANY.

No 95 Milk Street.

P. O. BOX 3318.

Boston, Mass., August 31st 1880.

S. L. Griffin Esq Secy
Edison Telephone Company of Europe (Limited)

Dear Sir.

After consultation with my Directors I am forced to say that although I should ~~I should~~ be glad to co-operate in the effort to harmonize our interests in those Countries where we are interested, the terms proposed by Mess Bailey and Puskas, whom I had the pleasure of meeting here on the 24th inst. are such that I cannot accept them.

Very respy yours

H S Russell

President

DREXEL, HARJES & CO.
PARIS.

DREXEL & CO.
Philadelphia.

DREXEL, MORGAN & CO.
New-York.

31, Boulevard Haussmann.

Paris, 2d Sept. 1880
7th

Thos. A. Edison Esq.
Menlopark, New-Jersey.

Dear Sir

I have just now received copy of the amalgamation act in reference to which I cabled you Aug. 17th and which I signed on that day as cabled to you same evening:

"After endless vexations and legal difficulties" "have just signed papers amalgamating Edison" "and Gower under title Société Générale des" "Téléphones Edison Gower" ✗

It is needless here to refer to the almost endless difficulties and troublesome meetings that have taken place since Mr Bailey left Paris in order to bring about this arrangement. Numerous appointments had been taken by the Notaries representing the sundry interests, having at times even the papers ready for signature, all to end in nothing but disappointment owing to I had insisted on the mentioning of your name in first

to legal difficulties by reason of the french law of 1867 in reference to the formation of Societies. I enclose copy of Mr Harrisse's letter of Aug. 1st 9th on the subject which will assist in partly explaining matters.

I can but congratulate you that this amalgamation plan was finally adopted especially on a basis which will ensure to you a greater advantage, the capital as well as the apports, (of both companies) ~~as you will notice~~ have been largely reduced yet your portion always remaining fr. 900,000. (in shares.)

The sundry parties interested have endeavoured to obtain a reduction of your said fr 900,000. in shares to which of course I have not listened.

This amount I shall receive later i.e in shares fully paid up, I have decided that all the shares for the apports and of course your fr 900,000. included, should be issued in fully paid up shares, the french law on partly paid up shares holds the first owner liable for all additional calls during a period of 2 years which in your case

3d sheet.

is the more desirable since you have at once to hand over to others a portion of your fr. 900,000.

Remain, Dear Sir,

Yours very truly

John A. Warjes

Thomas A. Edison Esq.
Menlo Park – New-Jersey

[ENCLOSURE]

Copy

Paris August. 9th 1880.

John H. Harjes. Esq.

Edison Telephone

My dear Sir,

It was found almost impracticable to carry the wires in the streets and over the housetops, not so much on account of the heavy expenses involved, but because a great number of proprietors refused to have the wires fixed in any part of the roof, fearing that it would attract electricity, and have all the disadvantages of lightning rods, without any of their benefits.

But, as luck will have it, the city is endowed with a system of sewers which extends under every street, making a subterraneous net of ways and channels, admirably appropriated for telephonic communications.

The right to use those sewers for the purpose, had been granted to the "Edison", under certain conditions, one of which was the revocable character of the concession or privilege at any time. This right had also been granted to the "Gower" in like manner.

Whilst we were trying to form the Company to work the "Edison" under the auspices of the Banque Franco Egyptienne which by contract with us was bound (and acknowledged to be bound) to form a company to that effect; the city gave both the "Edison" and "Gower" to understand that as so many wires clogged the sewers, the privilege to use the latter would be hereafter conceded to one company only. This was tantamount to an injunction to amalgamate. But the question was, which should amalgamate with or absorb the other?

Unfortunately

[ENCLOSURE]

Unfortunately for us, we did not yet exist as a regular society, nor was it possible for the present to form the society, — for this reason, viz:

The French law requires that all the contributions, patents, privileges, and devices, called in French "apports", which form the basis of a society and that are brought into the same for a certain price, shall be approved by a vote of stockholders not interested in the said "apports" either directly or indirectly. Now, the stockholders of the "Edison" were all apparently actual owners of the patents; and, as such precluded from voting. The Banque Franco Egyptienne said that they could not raise a subscription for new stock, out of the general public and thus obtain the required number of disinterested stockholders to vote on the "apports". I am unable to say whether this assertion is exact.

The "Banque" might have formed a "commandite" — that is a company composed of sleeping or special partners, furnishing the said "apports", — which kind of company may be temporarily formed without requiring a vote on the "apports" as aforesaid. The "Banque F. E." replied that such a company could not be formed before four months, and the City was not willing to grant the required delay. How far that is exact, I am also unable to say.

The "Gower", on the other hand, was always constituted as a company under the French law, and as such could immediately absorb the "Edison". At all events, it mattered but little whether ~~whether~~ we were absorbed before or after we had formed a company ourselves; or amalgamated with another company, provided the share allotted to Mr Edison remained the same? Another question was whether we could thus amalgamate, and yet remain within the terms of the contract in which both

Bailey

[ENCLOSURE]

Bailey & Pushas were parties, without fears of revendications on the part of the two gentlemen.

As this was a matter of technical interpretations and appliances, it was submitted to Mr Robin our notary, who was more competent than any one else to decide the question, which was chiefly Notarial.

His opinion was that Rousseau's power of atty from B & P was ample enough for the modification proposed, and besides that such an amalgamation was within the wording of the contract as it was tantamount to the "formation of a company."

As to the value of the share allotted to Mr Edisson, as set forth in the Banque's letter of the 29th of July, it was also decided that it would not be lessened thereby, either in quantity or quality. There remains the question whether the stockholders of the "Gower" Company, must not vote on these new "apports", to make the new contract valid?

Yours very truly

(Signed) Henry Harrisse
of Counsel

[ENCLOSURE]

Grief Read these over & see if I have to do anything than tell

Paris Aug 9 1880
Henry Harrisse

THE WESTERN UNION TELEGRAPH COMPANY.

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A. R. BREWER, Sec'y. 3 NORVIN GREEN, President.

Dated N York 7 16 188

Received at

To T A Edison

Menlo Park

Hear Barker is sick
Will there be a meeting
If so will go out
at two pm

Quinas
38 Pmc

20 Paid HO Ke 1135 am

READ THE NOTICE AT THE TOP.

Ruzkar

Sept. 16

4 Germantown Sept. 30

Griffin

advise to say Heath

Home Schools is out

in New York tomorrow

Barry

8 AM Ho

Rep

Oct 1, 80

5 Paris
Via NY 1st

Edison
Menlo Park

Immediate payment hundred thousand francs erected have Drexel Cable at latest tomorrow your third answer Heraclite Paris

Bailey

20 paid
KG

T. A. EDISON,

Menlo Park, N. J., Oct 1st 1880.

Cable

Edison Menlo Park

What about Edison European
They make a great mistake in
this delay large and powerful
Anglo American syndicate forming
here to work. Bell everywhere. Can
settle with them if I have powers
If my offer is not acceptable
Cable counter offer I will give
prompt reply Gouraud

T. A. EDISON,

3

Menlo Park, N. J., Oct 1st 1880.

Gouraud London

Bailey and Puskas have left with powers to negotiate with you

Edison

14 Menlo Park
Oct 1
Eq Sti
9 5 8 am

Paris 10th, 1880.

My dear Lili

I arrived this morning from London. From well informed persons I learn that the Pro Egyptian commandite are of opinion that the owners of the patents ought to accept some reduction in the amounts provided by the contract of Mar. 27, '80 to be paid to them.

In an interview with Mr. May he alluded to the fact that no adequate return had come to the Bank for their time and trouble in the business. But made no allusion to anything like the above. Some talk has taken place before my arrival

2

in regard to the repayment of the 1160,000 fr. In regard to this the French law allows a person holding such security as in this case to sell it at 8 days notice. I am advised that a delay of four to five weeks could probably be gained. But no formal judgment of a court is requisite in favor of the creditor. — Of course I have and shall make no allusion to any of the above points in advance of their being presented by the Bank.

Mr. May in the conversation to day in reply to an

observation of mine as to a speedy emission of shares, said "no, it would not be made at once, as they wanted to have at least 1000 lines working before putting any shares out" (The shares are printed & in Mr Hayes hands.) This, as you will no doubt have seen would constitute another danger for us if there should be any disposition to press on us.

Mr Hayes presses for the immediate payment of the $100,000. I have another in=

=terview with him at 11 tomorrow. After seeing him I telegraphed you asking you to cable payment of your third through Drexel not later than tomorrow. Mr Hayes found fault that I had not brought in "black and white" from you that you would pay your part, & I said that "was not business". Later I sent a long telegram to Mr Pusey asking him to see you and ask you to telegraph Hayes asking him to give me moderate

time to turn round. I hope you will do this, even in case you remit your part, & that it will not seem too much to ask of you, in considering the object for which it was incurred. This, in thanking you at same time for the heartiness with which you agreed to assume your part.

For comfort on our side we have, that all difficulties have been arranged both with the government of the city & the Tel. administration so that lines are now being put down with great rapidity

and with thorough accord of all administrations 50 fr. is paid per annum to the city & 50 to the Tel. ad. The price of subscription is made uniform 600 fr. leaving a net 500 to the company. 400 lines are in good working order 200 in each company, as I have verified. A thousand subscriptions are on the lists, and can be made as much larger as desired fast as the lines can be put up. I am assured that our all work will

7

and the subscribers are content, I should think from what I have seen that the service is much more prompt than in New York. Every one is sanguine and pleased, and there is no reason why the Bell shares should not in a couple of years be worth as much perhaps more than the Am. No other concession can be obtained. In the sewers wires can be laid cheaper & worked better than in any city in the States. What we have here is worth holding onto.

Yours very truly

J. H. Bailey

Thomas Edison Esq

Note, I shall probably return to London on Sunday or Monday, (3 or 4) No patents can be sold here, for other countries.

No 1 New York 2 Oct 80

Pa Edison

Menlo Park

Bailey calls on that it is vital to all interests I should see you immediately and advise you to cable him to ask for a month's delay – I think if Bailey refuses by this to Hayes mailing you might as well cable Hayes direct please telegraph me

about it to forty west twenty sixth street

Geo. Perkas

5-5- paid

4-5-5 pm

London Oct 6 / 1880.

Thomas A. Edison Esq.,
Menlo Park,

Dear Sir:

I remained here a couple of days and took the bearings, and found out whose some people were that I know. Yesterday and today have been looking about and Monday shall begin to bring things together. There is no question we can realize a good business, with proper guarantees as to amount to be expended, and as to our own interest. In the course of next week I hope to be able to write you something quite definite. Should you get cables from Paris from me they will have been sent by mail to Paris & sent by Rouyer there, to profit from the cheap rates. Here cant send less than 50 cents word. Yours Truly, D. F. Bailey

DREXEL, HARJES & CO.
PARIS.

DREXEL & CO.
Philadelphia.

DREXEL, MORGAN & CO.
New-York.

File

31 Boulevard Haussmann.

Paris, 27 Octbre 1880

Thos. A. Edison Esqr,
Menlopark,
New-Jersey

Dear Sir,

Referring to my letter of the 2d Sept. I have nothing to add about the Amalgamation except that everything is progressing favorably.

One Shareholders meeting has already taken place on the 7th inst whilst a second meeting which is to finally approve the Amalgamation will take place on the 30th inst, I shall attend the same in your interest.

The present board of Directors is of opinion that it will be for the interest of the undertaking to defer the issue of the Shares to the public until a larger number of subscribers have been secured for the use of the Telephone.

I remain, Dear Sir,
Yours very truly
J. W. Harjes

DREXEL, HARJES & CO.
PARIS.

DREXEL & CO.
Philadelphia.

DREXEL, MORGAN & CO.
New-York.

31, Boulevard Haussmann.

Paris, 27th Oct. 1880.

Thos. A. Edison Esqre,

Menlopark, New-Jersey.

Dear Sir,

As your attorney in fact, I beg to bring to your notice an attachment issued by the Civil Tribunal of the Seine, on the 16th of October 1880, attaching in my hands all shares of the French Telephonic companies and other companies or inventions which you may have ceded, transferred, or may have or have promised to cede and transfer to Mr Joshua F. Bailey, who stands in debt to me, personally, by virtue of a certain contract of February 20th/80, which, I think, has been disclosed to you by Mr Bailey while he was in New-York this summer. For future reference, I take the liberty of enclosing herewith the letter of my attorney Mr Henry Harrisse.

Please acknowledge the receipt of this letter and believe me, Dear Sir,

Yours very truly.

John W. Harjes

[ENCLOSURE]

NEW YORK – BOSTON –
PHILADELPHIA – CHICAGO –
NEW ORLEANS – SAN FRANCISCO –
WASHINGTON – CITY.

Office hours,
from 7 a.m. to 4 p.m.
(Le matin de 7 heures à 4 heure)

Henry Harrisse
Attorney and Counsellor at Law.
30. Rue Cambacérès.

Paris. Oct. 27th 1880

John H. Harper Esq
Dear Sir

Claim agst Bailey

I have to inform you that on the 16th inst. the President of the Civil Tribunal of the Seine has issued an order of attachment, garnescheeing in your hands, as attorney in fact of Mr. Thos. A. Edison, all the monies, scripts and particularly all shares of the French Telephone Companies which by private contracts, letters or otherwise, Mr. Edison may have declared himself indebted to Joshua Franklin Bailey or promised to remit to the latter at any time. This attachment comprises the 300,000 fs in shares which out of the 900,000 fs coming to Mr. Edison, Mr. Edison agreed to hand over through you, as his attorney in fact, to the said Bailey. The attachment is based upon your personal contract with the sd Bailey of February 20th 1880, whereby he sold to you certain interests in various inventions of Mr. Edison, with privilege to reenter into possession of the same on his paying to you 100,000 on or before August 15th 1880. Please notify Mr. Thos. A. Edison, as your principal.

Yours very truly
Henry Harrisse

Grand Hotel,
Paris Nov. 8, 1880

John W. Hayes Esq.

Dear Sir:

We have the honor to advise you that, in conforming with the terms of the act made with the Banque Franco-Egyptienne the 27 Feb. 1880, we are prepared to reimburse to the Bank the two thirds of the sum of one hundred and sixty thousand francs (fr. 160.000.) corresponding to our collective interest in the said contract. Will you kindly advise us if it will be agreeable to you, on behalf of Mr. Edison to make payment of the remaining one third tomorrow or next day.

We remain, dear Sir.

Very respectfully Yours.

Geo. Sinkas

J. F. Baily

DREXEL, HARJES & CO.
PARIS.

DREXEL & CO.
Philadelphia.

DREXEL, MORGAN & CO.
New-York.

31, Boulevard Haussmann.

Paris 11 Nov^bre 1880.

Dear Sirs,

Enclosed I beg to hand you press-copy of account which I intend to send to Mr Edison to learn whether the same is made out in accordance with his views.

In the meantime and before I write to Mr Edison you will please examine the a/c and report if found correct sending me a line to that effect adding any objections that you wish me to submit to Mr Edison.

I remain, Dear Sirs,
Yours very truly.
John W. Harjes

T. F. Bailey Esqre
T. Cushing Esqre

DREXEL, HARJES & CO.
PARIS.

DREXEL & CO.
Philadelphia.

DREXEL, MORGAN & CO.
New-York.

31, Boulevard Haussmann.

Paris 12 Nov. 1880.

Dear Sir,

I am still without any reply to my letter of yesterday and to avoid any misunderstanding I desire to say that I cannot act in the matter of settlement till I receive your letter in reply to mine just mentioned enabling me to communicate with Mr Edison & to solicit his instructions.

What I desire to know is as already mentioned to you verbally and repeated in my yesterday's letter, whether the division as indicated in my yesterday's statement is acceptable to you.

or to which part of it you object, in this latter case you will please add a statement to be submitted by me to Mr Edison as your views.

I remain, Dear Sir,

Yours very truly.

J. R. Harjes

J. T. Bailey Esq
H. Paskas Esq

17

Paris 13 Nov. 1882.

John A. Hayes Esq.

Dear Sir!

We acknowledge receipt of yours of 11th instant enclosing an account in matter of Telephones. Recalling to you that 41¼ fully paid up shares have been already conceded to you for your services and trouble, we are obliged to repeat ~~to you~~ the answer made to your cable in regard to the charge of 52½ shares as commission, that we are unable to admit it.

The charges for services of Mr. Harrison and for cables we accept. Mr. Parker acknowledges the balance of £40 shown due to Mr. Edison from him.

We remain
Very respectfully,
Yours
Thos. Parker
T. A. Bailey

Copy compared & sent to Mr. Hayes Nov 13/82 at 11.30 a.m.
J.T.B.

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

This Company TRANSMITS and DELIVERS messages only on conditions, limiting its liability which have been assented to by the sender of the following message.
Errors can be guarded against only by repeating a message back to the sending station for comparison, and the Company will not hold itself liable for errors or delays in transmission or delivery of Unrepeated Messages.
This message is an UNREPEATED MESSAGE and is delivered by request of the sender, under the conditions named above.

A. R. BREWER, Sec'y. NORVIN GREEN, President.

Cable

Dated 188 0

Received at Menlo Park Nov 13

To Edison Menlo Park New Jersey

READ THE NOTICE AT THE TOP.

shares likely ready tomorrow patents receive 1800 shares less allowance 82 1/2 shares to group tenty leaving 1717 1/2 shares for division my total cash expenses including loan 160 000 are 164.172 francs my commission 4000 dollars or if you prefer 52 1/2 shares Bailey & Duchas each claim 572 1/2 shares and willing to bear one third cash expenses but decline bearing any portion my commission Duchas besides willing to pay 1376 dollars are you shall I deliver them

shares as claimed receiving
my commission from you
alone telegraph also
instructions disposal
your shares

Hayes

100 Paris
2 Gordon

Manufacturers, Importers and Dealers in
Telegraph Machinery and Supplies,
Telephone Goods,
Medical Apparatus,
Burglar Alarms,
Automatic Fire Alarms,
House and Hotel Annunciators
Electric Light, Electric Gas Lighting,
Electric Railway Signals,
Edison's Phonograph, and Supplies,
Magneto and Electric Bells.

Bell Telephones rented and Supplies furnished.

ELECTRIC MERCHANDISING CO.,

76 MARKET STREET.

L. G. TILLOTSON, President.
GEO. H. BLISS, Vice Pres't and Treasurer.
W. H. HARRINGTON, Secretary.

Chicago, Nov. 15 1880

In reply to yours of

Thos. A. Edison Esq.
Menlo Park, N.J.
Dear Sir;

Please write me what the present status is in regard to my interest in the foreign telephone matter. Is there any money available for me in it so I should be glad to receive it or if there is any stock which falls to my share shall be glad to get that.

Respfly
Geo. H. Bliss

There is a little stock

T. A. EDISON,

Menlo Park, N. J., Nov 16th 1880.

Harjes
Paris

Bailey Puskas and myself share equally all expenses and what is left divided Equally. You may hold my portion shares further orders.

Edison

25 Menlo Park

Sent to Henry 1:40 P.M.

Copy

Paris, 17 Novbr 1880.

To Messrs.
Theod. Puskas & J. F. Bailey
Grand Hotel, London.

Gentlemen,

On last Saturday evening, on receipt of your letter of the 13th Inst, I have cabled to Mr Edison my account, of which I sent you a copy on the 11th Inst, and added that both of you accepted the same, except my commission, of which you declined to bear any share.

I have this morning received from him the following message:-

"Bailey Puskas & myself share equally all expenses "and what is left divided equally."

I am therefore prepared to make the settlement on the basis indicated by Mr Edison, which is the one of which I sent you a copy on the 11th Inst. (plus some expenses for cabling since incurred), and in view of the desire repeatedly expressed by the Baring & Franco Egyptienne for a regulation of the delivery of all the shares by the new Co., I must leave to you any responsibility caused by the delay, if any.

Yours very respectfully,
(Signed) Joh. H. Harjes.

1.

Paris, 19th Nov. 1880.

Mr. John H. Harjes,

31 Boulevard Haussmann.

We acknowledge the receipt of your letter of the 17th., inst., and we perfectly accept the principle announced in the telegram of Mr. Edison, of which you have advised us in this letter, that all the expenses relating to the affair of the telephone for France, are equally borne by Mr. Edison and by each of us two; since that has always been our understanding with Mr. Edison.

You add, "I am ready to settle accounts on the bases ind-"icated by Mr. Edison, which are that of the account which I render-"ed on the 11th inst."

Permit us to ask of you if the cable which you sent to Mr. Edison in order to receive his, advised him that by reason of his Power of Attorney being put in your name, you had already received a remuneration borne by him and by us two of forty-one (41) shares, one-fourth entirely paid up, that is to say, 20,625 francs.

Permit us also to remark that in our letter of the 13th inst we declared ourselves ready to bear our part in this 20,625 francs, and that if your telegram to Mr. Edison has omitted to mention ~~this~~,

this, Mr. Edison has not been able to reply with a full understanding of the facts.

We regret sir that we are obliged to recall to you that your account does not present all sums which are to be paid by us and Mr. Edison, notably, the loan of 50,000 francs that you made, and which is to be reimbursed to you by a sum of 100,000 francs.

Further, we have to pay, as you know, fees and commissions to several persons, whom by their counsels and assistance, have aided us in saving this matter, contemporaneous with the loan of 50'000 francs, which was destined and has served to attain this end.

Specially we have to pay outside of this, 20,625 francs and the reimbursement of your loan, and we will not oppose the fees for your counsel ~~and~~ and the expense of the telegrams you have sent.

You know, better than anyone, what sacrifices we have been compelled to make, both of time and money, to preserve the common interests of Messrs. Edison, Puskas and myself, in not allowing the total loss of this afair of the "French Telephone"; what we get out of this will only be the remains from the expenses we could not avoid; and thus it is, ~~that~~ after having overcome all obstacles with great difficulty, and being reduced to this congruous portion, ~~that~~ at the moment of closing everything, we meet on your part a difficulty of this nature, inadmissable

when it is considered that on account of your holding a power of atty from Mr Edison you have derived considerable advantage ~~as regards the very honorable advantages which your order on Mr Edison would otherwise have given.~~

We wish to believe, sir, that you will renounce ~~at~~ this assumption of commissions of 26,250 francs on the amount coming to the patentee. ~~in the Department of Patents.~~

Since the 8th of November, when we had advised you that we were ready to settle, we have agreed with the Franco-Egyptian Bank about reimbursing the 160,000 francs advanced by them.

The Franco-Egyptian Bank can ~~compel~~ sacrifice us ~~to comply with our engagement~~, paralyzed as we are by you, and unable to fulfill our engagements

It would be painful for us to see you unable to view our claim with justice, and to compel us to seek protection in the Courts. We therefore, beg of you, Mr. Harjes, to let us know your definite resolution by to-morrow, (Saturday) evening by a letter addressed to us both, at No. 45 l'Avenue de l'opera.

Accept etc.

Theo. Puskas. J. F. Bailey.

Harjes holding my power of attorney made it a condition before he would sign the contract that he should have 20 pc from Jenty - and he also got 20 pc of syndicate shares from Banque Franco Egyptien; This he never told Edison,

1

Cable

Nov 19, 80 11 am

Paris via N Y 19

T. A. Edison Menlo Park N J

We accepted giving Hanjes twenty one thousand francs commission
He demanded twenty six thousand additional hope you resist extortion with us fifty thousand on loan and twenty one commission is enough Puskas

Bailey

S S Colleck
B G

Manufacturers, Importers and Dealers in
Telegraph Machinery and Supplies,
Telephone Goods,
Medical Apparatus,
Burglar Alarms,
Automatic Fire Alarms,
House and Hotel Annunciators
Electric Light, Electric Gas Lighting,
Electric Railway Signals,
Edison's Phonograph, and Supplies,
Magneto and Electric Bells.

Bell Telephones rented and Supplies furnished.

ELECTRIC MERCHANDISING CO.,

76 MARKET STREET.

L. G. TILLOTSON, President.
GEO. H. BLISS, Vice Pres't and Treasurer.
W. H. HARRINGTON, Secretary.

Chicago, Nov. 27 1880

In reply to yours of 19

Thos A. Edison Esq
Menlo Park N.J.

Dear Sir;

Please send me a statement of the Foreign telephone matter and the stock coming to me. I hope you will be liberal on the divide.

Respy
Geo. H. Bliss

Havent time.
The Div will be
as per contract

75 cts

ASSIGNMENT.

Thomas Alva Edison

---to---

James H. Banker.

Dated November 29th 1880.

Original delivered to J. H. Banker. Dec 7/80. — See receipt book. p 260.
Duplicate of same delivered to S. L. Griffin. Dec 7/80.

ALG

WHEREAS, I, Thomas Alva Edison of Menlo Park, in the State of New Jersey, United States of America, have made application for Letters Patent in the Empire of Russia, for the invention of "Improvements in Instruments for controlling by sound the transmission of electric currents, and the reproduction of corresponding sounds at a distance" pursuant to documents dated October 13th 1877:

AND WHEREAS, James H. Banker of Irvington in the State of New York, United States of America has purchased of me the said Thomas Alva Edison the entire right, title, and interest of every character in and to the above recited invention, and in and to the Letters Patent which are or may hereafter be granted pursuant to the application aforesaid,

NOW THIS INDENTURE WITNESSETH that for and in consideration of the sum of

to me the said Thomas Alva Edison in hand paid by the said James H. Banker the receipt of which is hereby acknowledged I the said Thomas Alva Edison have assigned, and sold, and by these presents do assign, sell, transfer, and set over unto the said James H. Banker his successors, and assigns, the entire right, title, and interest, of every character in and to the invention above recited, and in and to the Letters Patent that are, or may hereafter be granted pursuant to the application aforesaid.

And I, the said Thomas Alva Edison for myself and my legal representatives do hereby covenant and agree to make and execute all proper deeds and documents for more fully transferring to the said James H. Banker or his legal representatives the rights hereby conveyed or intended so to be if requested so to do by said James H. Banker, his successors and assigns.

The said rights are to be held and enjoyed by the said James H. Banker for his use and behoof and for the use and behoof of his legal representatives to the full end and term for which said Letters Patent are, or may hereafter be granted as fully and entirely as I, the said Thomas Alva Edison might or could have held, and enjoyed the same if this assignment and sale had not been made.

In Testimony Whereof I, the said Thomas Alva Edison, have hereunto set my hand and affixed my seal this twenty-ninth day of November A.D. 1880.

Signed and Sealed in the
presence of Thomas Alva Edison (SEAL)

Wm. Carman.

State of New Jersey,)
: ss:---
County of Middlesex)

On this twenty-ninth day of November A.D. 1880, before me personally came Thomas Alva Edison, to me known to be the individual described in and

who executed the within instrument, and acknowledged the execution thereof to be his voluntary act and deed for the purposes therein mentioned.

As Witness my signature and notarial seal the day and year last above written.

(SEAL) S. L. Griffin,

Notary.

x---x---x---x---x---x---x---x

STATE OF NEW JERSEY.

DEPARTMENT OF STATE.

I, Henry C. Kelsey, Secretary of State of the State of New Jersey, do hereby Certify, that Stockton L. Griffin, Esquire, who hath signed the foregoing Certificate, and whose Official Seal is thereto annexed, was, at the doing thereof, and now is, a Notary Public in and for the State of New Jersey, duly appointed, commissioned and sworn according to law, and that full faith and credit are to be given to his official attestations; and I further certify, that the Seal thereto annexed is his Official Seal, and that the said signature is in the proper handwriting of the said Stockton L. Griffin.

In Testimony Whereof, I have hereunto set my hand and affixed my Official Seal at Trenton,

this First day of December A. D. 1880.

Henry C. Kelsey,

(SEAL) Secretary of State.

------*---*---*---*---*

STATE OF NEW JERSEY.

I, George B. McClellan, Governor of the State of New Jersey, do hereby certify, that Henry C. Kelsey Esquire, who hath signed the annexed certificate, and whose official seal is thereto annexed, was, at the doing thereof, and now is, Secretary of State of the State of New Jsesey, duly appointed, commissioned and sworn, and that full faith and credit are to be given to his official attestations; that the said signature is in the proper handwriting of the said Henry C. Kelsey, and the seal his seal of office, and that the said certificate is in due form of law, and by the proper officer.

In Testimony Whereof, I have hereunto set my hand, and caused the Great Seal of the State of New Jersey to be hereunto affixed, at the City of Trenton, in said State this First day of December in the year of our Lord one thousand eight hundred and eighty and of the Independence of the

(SEAL)

United States the one hundred and fifth.

Geo. B. McClellan.

By the Governor,

Henry C. Kelsey,
Secretary of State.

No. 218. Vu au Consulat Général de Russie pour la légalisation de la Signature de George B. McClellan Gouverneur de l'Etat de New Jersey. New York le 30 Novembre 1880!
---
2 Decembre

(SEAL) Le Consul Général W. Witelsky.

Cable
Edison

Dec 20-80
3:45P

Paid bank yesterday and
Morgan twenty thousand commission
dont agree any accounts or commission
before receiving letter with accounts
and details mailed tomorrow

Pusikas
Bailey

27

Dec 6, 80

NY 6

T A Edison

Can I see you this Evening. Important Cable Puskas requests me to see you at once

E W Saporta

T. A. EDISON,

Menlo Park, N. J., 1880.

19 Wm St. Dec 7 - 80

Telephone meeting
Present: Barker, Higginson & Griffin

Mr Pirkard's Cablegram to his agent Mr E.W. Saportas having been brot before the Meeting by Mr Barker was read him and is as follows -

Ponta Peeth Dec 6th 80

E W Saportas N.Y. Go immediately to Edison get his consent to my taking Telephone for Hungary following conditions 25000 francs against transfer of patents 3 francs royalty per subscriber and 25% of amount I get for patents whenever govt consents to my forming stock Company Edison consenting shall immediately put up exchange and order hundred instruments Government important Answ at once — Pirkard

It was moved by Mr Barker that the proposition be & the Secy authorized to cable Pirkard according accepted - The motion being seconded the Secy cabled the following cable to Pirkard - Telephone Meeting ratifies proposition - Griffin Secy

There being no other business the meeting adjd -

H G Griffin

[INCOMPLETE] [FROM JOSHUA F. BAILEY]

Paris 9 Dec '88.

My Dear Sir:

Early last month Mr. Puskas and I finished an arrangement with the Franco-Egypt. Bank for the money needed for our part of the 160,000 £ due to the Bank, and for the payment of other debts. The loan is made at the rate of 6% interest per annum & 1/2 the profit realized on the shares, above par. The Bank agreed to advance money for your proportion if you or Mr. Hayes desired it, on the same terms. — When the negotiation was commenced on my return from the States I proposed it to Mr. Hayes who declined it. — The agreement with the Fr. Egypt. was closed Saturday ~~Nov 17~~ Oct 20 in the evening, Monday morning following I had occasion to call on Mr. Hayes and mentioned to him that we had found the money & were ready to pay

our part of the liabilities. He was much surprised and very angry, saying among other things that "I had not treated him like a white man."
Later the same day Mr. Pucker and I called on him together, and he spoke of having claims for commission etc. to which we objected for reasons hereinafter stated. In the two days following we called three or four times for his afs. saying we declined to accept or refuse anything in advance of his passing on afs. The last time we called Mr. Siegel (the manager) admitted that it would not take him more than 10 minutes to make the account, but said he couldn't tell whether it would be made the next day or the next week. He said 5% com. on £90,000 fee had been talked of. This we refused squarely to accept. In the meantime Mr. Siegel went to the Anglo Egyptian Bank, and wanted that Harper to buy the whole £90,000 of in order to hold our shares, and force us to accept his terms. — When he found that this could not be done, near

Edison Menlo Park New Jersey

Dec 9 80
845

Have settled with Bailey and Puskas full particulars by tomorrows mail

Harjes

16 paid
mmly

NY 10

Dec 10, 80
10 Am

C L Griffin

Puskas wires go to Edison order hundred instruments documents leave today in a few days will probably be able to make good offer for austria

answer

E W Saporta

26 paid
mmly

DREXEL, HARJES & CO.
PARIS.
DREXEL & CO.
Philadelphia.
DREXEL, MORGAN & CO.
New-York.

(1)

31, Boulevard Haussmann,

Paris, 10th Decber 1880

Th. A. Edison Esqr,
New-Jersey.

Dear Sir,

I wrote you last on October 27th.

The enclosed copy of my letter to Bailey and Puskas of Novber 12th explains my cablegram to you of November 13th to which I received your reply on the 17th ulto.

I was not quite certain of being able (as I much desired) legally to maintain the position that my sole existence in this matter was created by you, namely by your power of attorney and that therefore I had to look for and follow instructions of no one but you; the facts that Bailey and Puskas had been parties to the contract of March 27th last of which I sent you a copy in my letter of April 1st and holding from you documents declaring them interested to the extent of one third each left it an open question in how far a french court would allow them equal rights

in shaping the account of settlement.

They threatened with a law suit, had, as I learn indirectly mortgaged or sold a portion of the shares coming to them to the Banque Franco Egyptienne at the price, it is said, of 250 f. a share and had of course the, at least, moral support of that company and with all desire to guard your interest I am confident that you will appreciate my feelings when I say that I could not but deeply regret the prospect of possibly several years troublesome dealings with 2 such parties as B & P.

It therefore did not require a seconds reflection for me to waive my commission altogether provided all their other objections, for me to include in my account claims they had against you for their Expenses &c, as well as private agreements of Mr Bailey personally - were withdrawn.

This was done, of which I advised you by cable yesterday, and I now hand you enclosed account accepted by Bailey & Puskas and according to which the total expenses were . . . . f. 164.272.50.

Thos. A. Edison Esqr

DREXEL, HARJES & CO.
PARIS.

DREXEL & CO.
Philadelphia.

DREXEL, MORGAN & CO.
New-York.

(2)

31, Boulevard Haussmann,

Paris, 10th December 1880.

f. 164.272.50.

1/3 of which is due by you, namely f. 54.757.50
less amount paid by Pustkas
as per your letter of Nov^ber 21st/79
say $ 1376.09. 5.25. . . . 7.224.45.

leaving a cash advance for your a/c
per Dec^ber 1st f. 47.533.05.

for which in reimbursment, please settle with the firm Drexel Morgan & Co - against this amount I hold for your account temporary certificate for 572 1/2 paid up shares of nominally 500 F. each.

For reason mentioned in my letter of Oct. 27th the Company has so far not considered the issue of the shares to the public and it seems likely that the same will be delayed for some time longer so that at present the shares have no marketvalue.

I felt somewhat inclined to make your

an offer for account of Messrs Drexel Harjes & Co for your 572 1/2 shares, but not knowing what disposition you might prefer I abstain from doing so.

If however you desire to sell them please indicate your views to Messrs Drexel Morgan & Co.

I remain, Dear Sir,

Yours very truly.

J. P. Morgan

[ENCLOSURE]

Copy.

(3)

Paris, 12 Novr. 1880.

Dear Sirs,

I am still without any reply to my letter of yesterday & to avoid any misunderstanding I desire to say that I cannot act in the matter of settlement till I receive your letter in reply to mine just mentioned enabling me to communicate with Mr Edison & to solicit his instructions.

What I desire to know is as already mentioned to you verbally and repeated in my yesterday's letter,

whether the division as indicated in my yesterday's statement* is acceptable to you

or to which part of it you object; in this latter case you will please add a statement to be submitted by me to Mr Edison as your views.

I remain, Dear Sirs,

Yours very truly,

(Signed) Joh. H. Harjes.

J. F. Bailey Esq.
Th. Puskas Esq. } E. P.

* as answered.

[ENCLOSURE]

Copy

Account

Thos A. Edison to receive	£ 900,000.-	or 1800 Shares of the Société Générale des Téléphones systèmes Edison Gower Vanderes.	
less 1/2 of 5% of a/ports (due jointly) on £ 1650000.-	" 41,250.-	82 1/2 "	
		1717 1/2 Shares	
Commission of J. H. Harjes		52 1/2 "	
		1665 Shares	

Subject to cash expenses of

Loan	£ 160,000.-
Wm. Harrison's bill	" 3,109.-
Cables &c	" 1,063.60
	£ 164,172.60

To be divided:

Mr T. A. Edison to pay	£ 54,724.20	and to receive	555 Shares
" J. F. Bailey "	" 54,724.20	"	555 "
" H. Puskas "	" 54,724.20	"	555 "
	£ 164,172.60		1665 Shares

To Mr Puskas' part of expenses has to be added

$ 1,376.09 (@ 525 £ 7,224.45)

due to Mr Edison as per his letter of Novbr 21/79.

E. & O. E. Paris, November 11th 1880.

(Signed) Joh. H. Harjes.

10 DECEMBER 1880

MR. HARRISSE :

30, RUE CAMBACERES,

MR. PUSKAS HAVING SENT ME THE 10 SHARES IN THE EDISON COMPANY OF EUROPE, I SENT THEM YESTERDAY, -THURSDAY, - TO MR. HARJES BY THE HAND OF MR. SIEGEL, AND ADDED THEIR DESCRIPTION TO THE RECEIPT, AS AGREED PON BETWEEN US AND AS SUBMITTED BY YOU TO MR. HARJES ON THE 30 TH. OF NOV.: HE HAVING ~~RECEIVED~~ accepted WHAT WE HAD MUTUALLY AGREED UPON.

YESTERDAY, AFTER HAVING MADE ME CALL SEVERAL TIMES, BECAUSE MR. SIEGEL WANTED TO DRAW THIS RECEIPT AND TO HAVE IT SIGNED BY MR. HARJES, MR. SIEGEL PROMISED ME TO SEND THE RECEIPT BACK TO ME, ~~BECAUSE~~ AS I DID NOT WISH TO WAIT INDEFINITELY. BUT THIS RECEIPT HAS NEVER COME TO HAND. ON THE CONTRARY, ALTHOUGH I ENTRUSTED THE FORTY FIVE PAID UP SHARES IN THE GENERAL SOCIETY OF TELEPHONES, (AND WHICH ARE TO BE RETURNED ON PAYMENT OF FOUR THOUSAND FIVE HUNDRED FRANCS-IF THE ANTICIPATED EVENT SHOULD TAKE PLACE ON THE 14 TH. OF APRIL) AND, AFTER HAVING DEPOSITED THE 18 SHARES OF THE EDISON COMPANY FOR EUROPE, MR. HARJES, -INVISIBLE TO US-CAUSED MR. SIEGEL TO MAKE NEW USURIOUS DEMANDS WHICH, IN THE FACE OF THE AGREEMENTS ARRIVED AT THROUGH YOU, CANNOT BE ADMITTED.

THESE FACTS, HOWEVER, DO NOT CONCERN MR. BAILEY ALONE; SINCE IT IS I, AS ATTORNEY FOR MESSRS BAILEY & PUSKAS, WHO HAVE ALLOWED THESE CERTIFICATES TO GO OUT OF MY POSSESSION. I WILL CALL AT FIVE O, CLOCK, THIS EVENING, ON MR. HARJES. IF I DO NOT GET SATISFACTION, I WILL PROCEED TO TAKE THE NECESSARY STEPS TO MORROW-SATURDAY-MORNING. I HAVE NOT WISHED TO DO THIS WITHOUT ADVISING YOU THROUGH REGARD FOR YOU.

ACCEPT &C.

ROUSSEAU

Paris, Dec. 11th, 1880.

Mr. C. Rousseau,

32 Boulevard Sebastopol, City.

Dear Sir:--

Mr. Harges never saw the receipt in question before Thursday evening, when I submitted it to him for signature.

The only changes that Mr. Harges accepted was the cancelling of his ~~share~~ commission, and that only on condition that the settlement of Mr. Baileys' personal contracts were made separately, and conformable to the engagements with the powers granted to Mr. Bailey of redemption after a certain time, by payment of one hundred francs per share, the shares of the general Society of Telephones having relation to the minor contracts

Mr. Harges charges me to add that Mr. Baileys' manner of looking at the contract, which carries 1/40 of each Company (Telephone Company for Europe limited, and general Society of Telephones for France) gives him new proof of his good faith exhibited from beginning to end; and which is confirmed by the remark you allowed yourself to make yesterday in our office "that if you wished you could break these contracts like glass."

Mr. Harges is disgusted with the whole affair, and has written me that if you return the receipt written by you, he hopes in this manner to satisfy all the desires of Mr. Bailey.

Accept, &c.

O. Siegel.

LE PROPAGATEUR
DES
NOUVELLES INVENTIONS
OFFICE SPÉCIAL
POUR
LA VENTE & L'ACHAT DES BREVETS

33 — Rue des Écoles — 33
PARIS

G. ROMBI
INGÉNIEUR-DIRECTEUR

ENGLISH AND AMERICAN PATENTS

OBTENTION DES BREVETS & PATENTES
EN FRANCE & A L'ETRANGER

Dépôt, Dessins & Marques de Fabrique

CESSION DE LICENCE
POURSUITES EN CONTREFAÇON
Mémoires Consultatifs

N° 7334

Annexe

Paris, le 13 decembre 1880.

Thomas Alva Edison Esq.
Menlo-Park.
New Jersey
United States.

Our official english Paper publishes, the provisional Protection, of 6 months, which has been accorded from You under the N° 5713. the eights of. decembre under the title Improvements in telephones.

We would like to engage us with Your title definitif alo his obtention.

For facilate and accelerate the Sale, we would satisfy every formality for a demand of this Patent, with a sum of 725 francs

If after going of the business we give the advance, and we will not be repaid on account of a result, we charge a Commission of 5 d°.

Hoping to get soon an answer, remains

Yours truly.
PO L'INGÉNIEUR-DIRECTEUR
G. Rombi

Vienna Dec 18- 1880

My dear Saportas

Enclosed find the two Hungarian contracts - one is signed by myself and brother and the signatures are legalized by the American Consul. Get now the other one signed by the President of the Company (Edison) with seal of the Co and signature legalized by Austro-Hungarian Consul. Besides that get all the Hungarian patents which are owned by the Co. The Cession must be put on every patent (original patent) and must be worded in the following way:

"Ich übertrage das ausschliessliche Eigenthumsrecht zu diesem Patente und den in demselben erworbenen Begünstigungen, Rechten und Verpflichtungen ohne jeden Vorbehalt an die Herren Theodor und Franz Puskás in Budapest."

These cessions must be signed every one by the respective person to whom the patent was granted. The signatures must be legalized by the Austro-Hungarian Consul. The contract and cessions can be dated from New York.

In exchange for the contract and patents you can pay over the 25000 francs. In case you will not have the necessary funds get the Co to send over these documents to any person they choose in Europe (preferably to the American Consul in Budapest) and I will pay over the money here. If this arrangement will not suit the Co Cable me and I will send you the money by Cable. The most important patent for me is Edisons. If there would be some delay as regards the signing of the cessions on the others by the respective owners it would not matter - You could still pay over the money but I must have Edison's patent.

Yours Very truly
(Signed) Theo Puskas

[ENCLOSURE]

/

The following Contract is hereby entered into between The Edison Telephone Company of Europe, Limited, incorporated May 14, 1879 in America in the State of New York, and Messrs. Theodore & Franz Puskas at present domiciled in Buda-Pest, under the following conditions:

1st. The Edison Telephone Company of Europe, Limited, sells without further reserve to Messrs. Theodore & Franz Puskas in Buda-Pest all the patents which it may now or hereafter possess for speaking telephones, for the territory of all the Kingdom of Hungary.

a., The transfer of ownership in said patents is accomplished when the Edison Telephone Company of Europe, Limited cedes to Messrs. Theodore & Franz Puskas each and every patent already obtained, and when on each and every one of the original patents this cession is inscribed, and the signatures properly attested, in the following words:

"We hereby transfer to Messrs. Theodore Puskas and Franz Puskas, all our interest in these patents, and all rights, titles and privileges in the same without reserve;

b., and further, The Edison Telephone

[ENCLOSURE]

Company of Europe, Limited binds itself to furnish Messrs. Theodor & Franz Puskas on order and for cash, all necessary telephone apparatus of best construction, and in the shortest possible time.

2. In consideration of the transfer of all properly attested ceded patents, ~~Messrs~~ Mr. Theodor & Franz Puskas binds himself once for all to pay 25000 francs,

3., In addition to the above consideration Mr. Theodor and Franz Puskas binds himself during the whole term of the patent, after the putting up of each machine or respectively, after each subscription to the privilege ~~of~~ in the territory of the Kingdom of Hungary, of existing telephone systems, a royalty of five (5) francs from the day of the annual subscription.

Settlements will take place in the month of January following in each year, on the basis furnished by the account-books of Messrs. Theodor and Franz Puskas.

To facilitate this settlement Messrs. Theodor and Franz Puskas give the right to said contracting Company to investigate said books, but only in so far as concerns ~~the~~ the number of the subscribers.

4th. In case the Hungarian government.

[ENCLOSURE]

permits the transformation of the undertaking into a stock company, Messrs. Theodor & Franz Puskas bind themselves to pay to 25% the Edison's Telephone Company of Europe, Limited, 25% of the sum which they shall receive from the company for said patents.

A further 25% Messrs, Theodor & Franz Puskas bind themselves to pay, after said sum, ~~for~~ which shall be paid for the transfer of the concession through the stock company.

Shall the value of the patents and concessions transferred be paid in stock, then the said contracting Company shall receive its share in stock.

5.th In case of the transfer of the patents to third parties, Mr. Theodor and Franz Puskas guarantee the yearly five francs from each subscriber, or respectively after the putting in of each instrument, and also of the above mentioned 25% in section 4.

6.th. Mr Theodor and Franz Puskas binds themselves to allow their firm to be bound? to keep, books.

7.th Should Mr. Theodor and Franz Puskas die, then all the rights and privileges conferred by this contract shall pass to their heirs.

[ENCLOSURE]

8.th In all controversies the Hungarian Trade and Exchange Court is hereby declared to be the Court to which both contracting parties shall submit.

For this purpose this Contract is hereby executed in duplicate.

(Draft)

30 Cambaceres St., Dec. 1880

Mr. Rousseau;

I beg to call your attention to the draft of the ~~act~~ deed of the 16th of March, 1880, which says that on that date sale was made to Mr. John H. Harges ~~of the~~ $1/40$ part in the Edison Telephone Company in France, and $1/40$ part in the Edison Telephone for the rest of Europe.

$1/40$ of the Telephone Company for France is $82\frac{16}{72}$ shares, the number of which represents $1/40$ of 1.600.000 francs or 3300 shares; ~~and $33/100$ shares:~~ and $1/40$ of the Company for Europe is 25 shares a number which represents $1/40$ of $1,000,000 or 100 shares. A simple error in numbers, ~~in~~ the rough draft of the contract you sent Mr. Harges only mentions 18 shares of the Company for Europe, and 45 of the Company for France.

I believe as a basis for a definite arrangement that I could propose the following to you.

I am told that you have not enough shares of the Telephone Company for France to make up the difference which I have just indicated. So I will propose to Mr. Harges, if you consent, that the number of 45 shares in the Telephone Company for France remains as it is, but that article one of your rough draft should read 25 shares of the Edison Telephone Company for Europe, (in place of 18 which can be done without augmenting the number of shares in your hands, and it will only be necessary to reduce a number of these shares as

shares given as collateral and carry back these shares to the proposed contracts. Besides, it is understood that the45 shares of the Telephone Company for France will be resigned to Mr. Bailey, ~~with the~~ in the time and under the spscified conditions at the rete of loo francs, a share; provided that the call and the funds anr presented before the 15th of next April.

I will await for you at my office tomorrow morning to consumatch the matter in this way.

Believe me, Sir &c

Henry Harrisse.

(Copied)

Jas A Bancker
N York

Forward offer in
addition to two dollars
yearly royalty. a
guarantee that first
year shall net us
ten thousand in
royalty. think we better
close the thing up this Basis as he
sails tomorrow = ~~I do Edison~~
as ~~negotiation with Baular~~
~~people will leave us same~~
Co Edison

T. A. EDISON,

Menlo Park, N. J., 1880.

Boston

15,000 gold 3000 to H

& the further sum of

-15000 in the 3 lots

opened

if we get 40,000 10 ore.

Thomas A. Hunter

100

Thomas A. Hunter

Thomas A. Hunter

Thomas A. Hunter

Thomas A. Hunter

Telephone in France

Mr Jenty has just received your telegram and I your explanatory letter relating to the Edison business. If I have not thanked you already, both for him and myself, it is because I have been waiting the denouement of this affair. It has been as pitiable as possible. At the same time that they were dealing on the one side with Mr Jenty, these gentlemen had been dealing with others, right and left; we have therefore, so far as we were concerned, my friends and myself, abandoned the thing, so as not to fall into a trap's nest. The enterprise being in the hands of people who desire not a regular exploitation, but an immediate payment of some thousands of francs, is going to run aut. Of three or four hundred subscribers whom the agents sent out by us had secured in a few days, there remained scarcely forty. The post office department which our group of deputies was alone capable of holding in respect, has become more restive than ever, and puts all possible obstables in the way of the installation of telephones. It will finish by refusing flatly, and by taking possession itself of all telephonic communications as an annex of the telegraph. In this confusion, the parties have turned to us again, but as you can well amagine have found closed doors. I have convinced myself that, there are, in Paris, five or six individuals able to show powers more or less extensive, either from Edison himself, or from people who

claim to have received from him grants of this or that part of his rights;- with this cross-fire of agents, one knows not what he can do.

No. 941.
Transfer of Shares or Stock.

SOLD BY
RICHARD FEINT & CO.,
Stationers, &c.,
48 & 49, Fleet Street,
London, E.C.

Stock forwarded to the Company's Office by

Coupon for £

We The Edison Telephone Company of Europe, Limited

in consideration of the sum of*

paid by George Edward Gouraud and Thomas Alva Edison

hereinafter called the said Transferee ,

Do hereby bargain, sell, assign, and transfer to the said Transferee

Seventy two thousand shares of and in the undertaking called the Edison-Hoveltz-Bell Telephone Company of Europe, Limited

To hold unto the said Transferee , Executors, Administrators, and Assigns, subject to the several conditions on which held the same immediately before the execution hereof; and the said Transferee , do hereby agree to accept and take the said , subject to the conditions aforesaid.

As Witness our Hands and Seals, this day of in the Year of our Lord One thousand eight hundred and eighty

Signed, sealed and delivered by the above-named in the presence of
Witness's { Signature, Address, Occupation,
Edison Telephone Company of Europe (Limited)
Thomas Alva Edison Pres.
L.S.

Signed, sealed, and delivered, by the above-named in the presence of
Witness's { Signature, H. Hall Address, 81 Queen Victoria St Occupation, Solicitor's Clerk
G. Gouraud
L.S.

Signed, sealed, and delivered, by the above-named in the presence of
Witness's { Signature, Address, Occupation,
L.S.

Signed, sealed, and delivered, by the above-named in the presence of
Witness's { Signature, Address, Occupation,
L.S.

* The Consideration-money set forth in a transfer may differ from that which the first Seller will receive, owing to sub-sales by the original Buyer: the Stamp Act requires that in such cases the Consideration-money paid by the Sub-purchaser shall be the one inserted in the Deed, as regulating the *ad valorem* Duty; the following is the *Clause* in question:—

"Where a Person having contracted for the purchase of any Property, but not having obtained a Conveyance thereof, contracts to sell the same to any other Person, and the Property is, in consequence, conveyed immediately to the Sub-purchaser, the conveyance is to be charged with *ad valorem* Duty in respect of the Consideration for the Sale by the original Purchaser to the Sub-purchaser."
[33 & 34 Vict. (cap. 97), Clause 74, Section 3, of the Schedule.]

When a Transfer is executed out of Great Britain, it is recommended that the Signatures be attested by H.M. Consul or Vice-Consul, a Clergyman, Magistrate, Notary Public, or by some other person holding a public position—as most Companies refuse to recognise Signatures not so attested.

Resolved that the company do assign to James H. Banker, but in trust for its benefit, to be declared by him by a proper instrument to be executed and delivered to the Company, all the right, title and interest which this company has acquired in the use, benefit and enjoyment in the Empire of Russia of all inventions in or relating to Speaking Telephones for which application for Letters Patent of Russia have been made at any time by Elisha Gray and Joshua F. Bailey or either of them--and, for the purpose of executing such assignment, that the President do sign in the name of the company and in his own name as President, and that the Secretary do attest and seal an instrument whereof the following is a copy, and that such instrument so executed and properly acknowledged be delivered to said Banker as the act and deed of this Company.

TIMBRE SUPPLÉMENTAIRE 10 CMES

TIMBRE DE DIMENSION 90 C.

A la suite d'une demande en déchéance, introduite au mois de Février 1880, par Mr Bède, contre le brevet Edison du 21 Janvier 1878, Mr James H. Bunker, Président de la "Edison Telephone Company of Europe, Limited" a chargé Me l'avocat Paul Janson, par l'entremise de Me l'Ingénieur Paul Bourquié, de présenter la défense du dit Brevet, devant l'administration Belge. En considération des services rendus par Me Paul Bourquié dans cette affaire Mr James H. Bunker a consenti à passer la convention suivante:

Entre les soussignés:

Mr James H. Bunker, intervenant au nom & pour compte de la "Edison Telephone Company of Europe Limited", ayant son siège à New-York, dont il est le mandataire, le dit Mr James H. Bunker, ayant son domicile à New-York, et faisant élection de domicile à Bruxelles, chez Me Paul Janson, avocat (7, Petit Sablon), d'une part

et Messieurs

Descamps, Ingénieur, Vice-Président de la Chambre des représentants, demeurant à Bruxelles; Paul Bourquié, Ingénieur honoraire des mines; Alphonse Spée Ingénieur, tous deux domiciliés à Ixelles (Bruxelles), d'autre part

il a été convenu ce qui suit:

Art. I. Le premier nommé cède et transporte aux contractants de seconde part, qui l'acceptent: 1° tous les brevets des inventions Edison, qui ont été pris à Bruxelles, pour la Belgique, relativement au Téléphone, au nom du dit Mr Edison;

2° Le droit exclusif de jouir en Belgique de tous les avantages, inventions, brevets et perfectionnements qu'y a acquis et y peut acquérir la "Edison Telephone Company of Europe Limited" en vertu des contrats existants entre cette Compagnie et M. Edison.

Le premier Nommé s'engage, en outre, à fournir au prix coutant, les appareils téléphoniques fabriqués en Amérique, qui lui seraient demandés par les nommés de seconde part, pour l'exploitation des brevets ci-dessus désignés.

Art. II. En compensation des avantages qui précèdent, les contractants de seconde part prennent l'engagement :

1° de payer à la "Edison Telephone Company of Europe Limited" une redevance annuelle de cinq francs pour chaque appareil téléphonique complet se trouvant en service en Belgique.

2° de payer à la même Compagnie quarante pour cent de tous les bénéfices, déduction faite de tous les frais généraux, résultant de l'exploitation des brevets ci-dessus désignés, étant entendu que ces frais généraux ne dépasseront pas 50 % (cinquante pour cent) de ces bénéfices.

Toutefois, les contractants de seconde part auront le droit, jusqu'à la fin de l'année 1887, de réduire à 3 (trois) francs, la redevance stipulée ci-dessus, moyennant le payement comptant d'une somme ne excédant pas 20.000 f.o.o (vingt mille francs).

3° de former une société en défaut les trois mois, qui suivront la confirmation par le Ministère Belge, de la validité des brevets contestés ; à défaut de l'exécution de cette clause le présent contrat deviendra nul.

Toutes les contestations qui pourraient s'élever au sujet du présent contrat seront jugées par les Tribunaux de Bruxelles dont un exemplaire a été remis à M. Banker et l'autre à M. Paul Bouquié pour lui et ses Co-intéressés.

Fait en double à Bruxelles, le dix-huit Mai mil huit cent quatre vingt ——

Ne vaut approuvé.

By J. D.

Approuvé l'écriture
J. Devamps

Approuvé l'écriture
Bouquié

Approuvé l'écriture
Mm. Lui

The undersigned

1st Mr

acting as attorney of the Society "Edison telephone Co for Europe (limited)" the seat of which is at New York (America)

of the one part,

and Messieurs

of the other,

agree as follows:

Article I

There is formed by these presents between the undersigned, a copartnership having for its object to bring about the working of the patents belonging to the Edison Telephone Company, and taken out and obtained in Europe in the following states:

Germany
Austria-Hungary
Belgium
Denmark
Spain
Italy
Russia

(Designate each of such telephone ~~Electric Lamp patents~~ the date and term thereof.

Article 2.

The copartnership thus formed shall have for its special object either to carry into effect the practical operation of the telephones for which such patents are granted, or to form commercial societies to operate or to cause to operate the same, in every state where such patents exist, in conformity with the laws of each country.

Article 3.

All the expenses rendered necessary to attain such results shall be borne by Messieurs

However, the aggregate of all advances may need not exceed one million five hundred thousand francs, and moreover Messieurs

may limit it to five hundred thousand francs only. Messieurs

must as a first outlay pay to Messieurs

the sum of fr. . . .

subject to forfeiture, by way of reimbursement of the costs of the patents and accessories until date.

2

The surplus, up to the amount of frs 400.000 or frs 1,400.000, according to what Messieurs

shall decide, shall be used for the expenses which the present copartnership shall render necessary, including the expense of expert workmen from Europe & the setting up of necessary tools & machinery

Article 4.

In all cases Messieurs

bind themselves to expend the minimum amount of five hundred thousand francs; but once this sum exhausted, they shall remain at liberty to disburse no more, saving however that their share as hereinafter fixed shall be limited as stated in Articles 6 and 7.

Article 5.

In no case shall Messieurs

have the right to claim of the Edison Co or its representatives, parties to the present instrument, contribution or reimbursement of the expenses in question, whatever may be the importance or the result of the business engaged in.

Article 6.

In all the countries where

Messieurs

B

shall have succeeded in establishing an enterprise or forming a society, and whatever may be the amount expended for that purpose by Messieurs

they shall be entitled to 60% of all that may be obtained or allowed for their copartnership share, the sale or license of patents in each of the aforesaid states; the 40% surplus shall belong to the patents. Edison Telephone & of Europe

In all the countries where Messrs

shall not succeed in establishing a Society or an enterprise, they will be entitled to 20% of all that may be subsequently obtained from the said patents, but only if they shall produce proof that they have expended in such countries, in the manner taken collectively, the sum of frs 50,000 each.

T

Article 7.

For the execution of all agreements the sale of patents or licences, the formation of Societies, and generally for all the acts and actions of the

4

copartnership, the control of expenses, &c, a committee of direction consisting of five persons is hereby established by the parties, who appoint: the parties of the 2d part, 3 members; the parties of the 1st part, 2 members, one of whom must be approved of by the parties of the second part.

This committee of direction shall decide by majority all resolutions that are to be passed.

A special book shall be kept from day to day, of the meetings held, which will be signed by the members taking part in such meetings.

Each member of such committee, in case of absence, can delegate his powers.

The attorneys who may be appointed shall never have the power to substitute another attorney for themselves. In case of the decease of one of the members of the Committee, he will be replaced by such other member designated by the group of which he formed part.

Article 8

The term of the present copartnership is fixed at three years beginning from this day.

Article 9

For the carrying out of these presents the parties elect domicil at Paris

Mr.

Messieurs

And in case of disagreement they recognize the jurisdiction of the Tribunals of the Department of the Seine.

Executed in originals

at Paris the 1880.

6

To The Board of the Edison Telephone Company of Europe, Limited.

Gentlemen:

Having been appointed a Committee to examine and report upon the proposed contract submitted by Mr. Bailey for the sale of the Company's rights in the following countries, namely Germany, Austro Hungary, Belgium, Denmark, Spain, Italy and Russia, I beg to present the following analysis of the same, omitting those parts of the contract which call for no special attention.

Article 3 provides in the form of contract submitted that all the necessary expenditure to introduce the telephonic system in the above named countries are to be for account of the parties contracting with us, which I will call the French Company, naming as a maximum 1500000 francs and a minimum 500,000 francs, the French Company having the option and the right to determine what amount is to be spent over and above the minimum sum of 500,000. It further provides for the sum of 100000 francs to be paid out of the said 1500000 francs to our Company as a reimbursement for the expenditure incurred in obtaining the patents etc. etc., thus leaving a maximum of 1400,000 francs or a minimum of 400000 francs for exploitation.

Article 4th provides that in any case 500000 francs will be spent by the French Company without any obligation on their part to go beyond it but in that case their interest as stated in articles 6 and 7 is to be reduced to 20%.

Article 5th provides that the Edison Company is not to be responsible in any manner for the sums disbursed by the French Company, no matter what the results will be.

Article 6 provides that the French Company is to have sixty per cent of the net earnings, no matter what expenditure will have been incurred, forty percent being alotted to the Edison Company; but in all countries ~~the~~ the French Company is to have only twenty per cent whenever it will not have succeeded in establishing the telephone system, provided, however, it is able to show that 50,000 francs have been spent.

Article 7th refers to the manner of composing the Board, giving to the Edison Company two Directors out of five which it is proposed should compose it.

Article 8th provides for the duration of the contract, which is to be three years.

Article 9th refers to the manner of adjusting the difficulties that might arise between the parties to the contract.

I would suggest that the following amendments be made to the form of contract presented by Mr Bailey.

In article 3d that a fixed sum of 1500000 francs be spent in the following ratio for the introduction of the telephonic system in the various countries referred to: Austria, 500000 francs, Russia 200000 francs, Hungary 200000 francs, Italy 250000 francs, Spain 150000 francs, Belgium 150000 francs, Denmark 50000 francs, without any option being given to the French Company to spend less than the sums above mentioned, and, as a further amendment,

that a sum of 350000 francs be paid to the Edison Company upon the execution of the contract.

That as an amendment to Article 6 the participation in the profits to be allowed to the Edison Company be reduced to twenty per cent, and that a royalty of five francs per year be given for every instrument used in any ~~one~~ of the countries mentioned.

The provisions of the proposed contract with regard to the election of Directors are apparently satisfactory, as well as all other articles not referred to.

[MEMORANDUM BY JOSHUA F. BAILEY?]

T. A. EDISON,

Menlo Park, N. J., 1880.

Carbon Telephone

Expenses are ~~borne~~ shared in same proportions as proceeds sale that is ~~one fifth~~ by thirds Edison Pickard Bailey

Proceeds sales French patents shared as stated previously telegram third Edison third Pickard third Bailey, Expenses shared in same proportions sufficient—

Edison 250 25
White 120 2/120
Baily 120 360
Bunker
& Cutting 120
610

Edison 360
White 120
Baily 120
Bunker 120
& others 720.

a

1 Nov 8th 1880 Letter Puckas & Bailey advising Hayes that they are ready to pay their part of the debt of the Coy

2 Letter (Nov 11th 1880) Hayes including copy of a/c

3 Letter (Nov 12th 1880) Hayes relative to same matter

4 Letter (Nov 18th 1880) Puckas and Bailey to Hayes declining to accept charge of 52½ shares as commission on ground that 41¼ shares were already given to him as commission

~~5 Letter (Dec 9th 1880) from Harrison to Rouveroy requesting additional concessions to Hayes~~

5 ~~Letter~~ (Nov 18th 1880) Telegram from Hayes to Edison and Edisons reply dated Nov 19th & Hayes to Edison dated Dec 9th.

6 Nov 17th Letter of Hayes to Puckas & Bailey in regard to settlement

7 Nov 19th Letter Puckas & Bailey to Hayes calling attention to fact that he has already received Frcs 20625 commission Frcs 50000 bonus for loan of Frcs 50000 and large profits besides from acting as Mr Edisons attorney

and refusing payment Frs 26000 additional and advising him that they should seek protection in the Court unless they received answer following day

8 Dec 10th 1880 Letter from Rousseau to Marrisse regarding new attempt at squeezing

9 About 25th Dec. Letter from Puckas & Bailey to Hayes regarding account

[MEMORANDUM BY WILLIAM CARMAN]

B. D. Pinkas

57

Theo Pinkas 742 100

Do French Ill ate

this was an error in not

indentating or using an

account of the doings as

peculiarly ~~[illegible]~~ rendered Mr

E says that Pinkas had

his share before the

statement was sent

Do C.

$6000 whole scheme

$2000 paid in

1/2 J/H B.

1/8 R L C

1/4 R L C Jr

1/8 L D M C

1/8 Beaver

6000.

Telephone

Edison makes it 40 or 80

Puskas makes it 73

European Telephone

Issue 2000 to Edison

1880. Telephone - Foreign - United Kingdom (D-80-049)

This folder contains correspondence, agreements, and other documents relating to the business of the Edison Telephone Company of London, Ltd., incorporated in 1879, and the United Telephone Company, Ltd., incorporated in 1880. Much of the correspondence is by Arnold White, the secretary of the Edison Telephone Company of London. There are also many letters by Edison's associates, George E. Gouraud and Edward H. Johnson. Related material can be found in the Primary Printed Collection (Company Records Series).

Much of the correspondence is in the form of cable messages. Code names were frequently used for the authors and recipients of these cables. The following is a list of the most commonly used cable codes:

Menlo Park London	George E. Gouraud
Quephone	Edison Telephone Company of London
Phonos [or Phonos London]	Edward H. Johnson

All the documents have been filmed except for duplicate copies of selected documents.

London January 1. 1880.

My dear Sir,

I wrote to you, two days ago - chiefly with the object of inducing you to make the sacrifice of your time & inclination, which your coming here, for a long period, would, I fear, involve. I thought, little

I think that there was sufficient ground for this request in the fact, that Mr. Ott, competent by experience & technical knowledge to give a valid opinion, considered, that the establishment of your English patents — effectively — & without delay, would be materially promoted by your coming.

Semi writing — I have given further consideration to the question — & it seems so important to the interests of the Edison Co. that I have concluded Mr. Johnson's making a journey to America for this purpose —

He can explain verbally the position of things far more fully than can be done in a letter — & can give you the benefit of

Mr. Kneeshaw & Co are joined
when he came here - all of
which will be of service.

If we are advised as we
are by our legal assistants,
that the flying visit of your parts
will be the instrument to secure us
a speedy decision on the question
of your disclaimer - you, or we
would not be justified in not doing
all that is possible to ensure your
being here at the risk of time.

Yours Dear Sir
Yours faithfully
G P Bowring

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

This Company **TRANSMITS** and **DELIVERS** messages only on conditions, limiting its liability, which have been assented to by the sender of the following message.
Errors can be guarded against only by repeating a message back to the sending station for comparison, and the Company will not hold itself liable for errors or delays in transmission or delivery of Unrepeated Messages.
This message is an **UNREPEATED MESSAGE** and is delivered by request of the sender under the conditions named above.

A. R. BREWER, Sec'y. WILLIAM ORTON, Pres't.

Dated Cable 7/6 1880

Received at

To Edison

Dine clock works thirteen otherwise lost

London

Hof

READ THE NOTICE AT THE TOP.

[TO EDWARD H. JOHNSON]

T. A. EDISON.

Menlo Park, N. J., Jany 10th 1880

Cable
Phonos
London

Three hundred shipped this week

T Menlo Park
9 1 x pm
Rec'd

Cable 1/12/80

Phonos London

Man Saturday times
Clockwork!

6 Menlo park

7 44 6
200 pm

Menlo Park 1-14.80
Received from Thomas A Edison one hundred dollars as advance salary as Inspector of Telephones for the Edison Speaking Telephone Co of London England the money being necessary for the voyage

$100.00 J. Seymour Jr.

Original

Menlo Park 1-14-80

Received from Dr Edison one hundred as advance salary as Inspector of Telephones for the Edison Speaking Telephone Co of London England the money being necessary for the voyage

W. H. Gregory

Menlo Park
(Jan. 1880)

Wallace & Sons Connecticut
Gen.

Gentlemen.

Please ship us immediately
25 Miles of compound wire
To The Edison Telephone
Co. 11 Queen Victoria Street
E.C.

Send Bill to the Edison Telephone Co. London England.
and inform me & the party named Co. before it is shipped.

Great strength is required of the
Steel wire, for long stretches
through the City of London

Please pay the order the
prompt attention & oblige

Yours truly
T. A. Edison
pk

OK N.C.

[ATTACHMENT]

Office of

Wallace & Sons,

Ansonia, Jan 19th 1880

Mr T. A. Edison

Dear Sir:

We are in receipt of your esteemed favor of 16th inst., covering order for 25 Miles Compound wire & sample

which we will ship soon as possible to Arnold White Edison Telephone Co. 11 Queen Victoria St London E.C. England

Yours very truly,

WALLACE & SONS

per [illegible]

T. A. EDISON.

Menlo Park, N. J., Jany 16 1880

Cable

Kiaphone London

Very desirous but utterly impossible at present preparing oath

11 Menlo Park

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

This Company **TRANSMITS** and **DELIVERS** messages only on conditions, limiting its liability, which have been assented to by the sender of the following message.
Errors can be guarded against only by repeating a message back to the sending station for comparison, and the Company will not hold itself liable for errors or delays in transmission or delivery of **Unrepeated Messages.**
This message is an **UNREPEATED MESSAGE**, and is delivered by request of the sender under the conditions named above.

A. R. BREWER, Sec'y. 3 WILLIAM ORTON, Pres't.

Dated 1/19 1880

Received at

To Phonos

Menlo Park

Take them

4 London

Hof

READ THE NOTICE AT THE TOP.

Phonos July 16, 80
to
Quinphone

195 Broadway
Newyork.
Jany 25th/80

Full at present

Dear Sir

We understand that Mr Johnson, Supt. of the English Telephone Co, is at present in Newyork looking for men to take positions in London, We have been studying the business in the Exchange at 58 Broadway for the last month or so and although we have not had very much practical Experience yet we think we have acquired a pretty fair theoretical knowledge of the business, and have no doubt we could, with very little more practice, take charge of an Exchange; We are at present Employed at 195 Broadway and have been for many years in the W. U. Co; as Mr Griffin, who is well acquainted with us both, can inform you; the Telephone business however being comparatively speaking a new one we imagine it affords a better

field for advancement and are desirous of getting a good position in it -

We might practice hard for a few weeks and if at the end of that time you find us competent to fill a good position, we could arrange to follow Mr Johnson, if he has not yet made arrangements with other parties

Very respectfully yours.

Frank. P. Cox

E. T. Barberie

T. A. Edison Esq
Menlo Park

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

A. R. BREWER, Sec'y. 5 WILLIAM ORTON, Pres't.

Dated Cable 1/23 1880

Received at

To Phonos
Menlo Park

READ THE NOTICE AT THE TOP.

Have signed invoices
bills lading been sent
as agreed

H. London

January 24, 80

Cable London

Yes

Menlo Park NJ
January 24

1 35 Pm.
5 Wd

Jany 26. 80
10 03 am

Cable

Edison Menlo Park

Have clockworks
left

s London

Jany 26. 80

Quiaphone
London

Yes week ago by
Inspectors

Menlo Park N J
Jany 26-80

sent from Depot

Jany 27. 80
1 21 pm

Thomas McRoll

Stop instruments until
clockwork arrives must
abolish handle.

W. London

W.U. Telegraph Office
Broadway & Dey St
New York
Jany 27th 1880

Dear Sir

You may remember our speaking to you, at Mr Berg-man's, last Friday about going to England in connection with the Telephone Service - In compliance with your request to inform you as to our knowledge of the bus-iness we would say that we have been studying in the Exchange, at 58 Broadway, of which Mr John Hemmens is Manager, for some time past, and that with our previous knowledge of wires, and with his very kind assistance we have acquired a pretty thor-ough knowledge of the business -

We are now about to assist in fitting up an Exchange in Whitehall Street, after which we shall feel quite competent to fill the position of which you spoke - We wrote Mr Edison in regard to this matter a few days ago; and Mr Griffin who is well acquainted with us both would, we think, speak favourably for us: Should you desire to engage our services, we could,

with very short notice, leave for England, at any time that you may wish, Trusting that you may give our application a favourable consideration

We remain
Very respectfully
F. H. Cox
E. T. Barberie

Mr Johnson
Menlo Park

MANAGER & SECRETARY.
ARNOLD WHITE.

The Edison Telephone Company of London, Limited.
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.

London Jan 27th 1880

T. A. Edison Esq
Menlo Park
New Jersey U. S. A.

Sir,

I beg to advise having this day by cable transferred to your credit with Messrs Drexel Morgan & Co of New York the sum of £1000 (One thousand pounds) on further account of telephones and materials coming forward from you and Mr Bergmann.

These goods having hitherto been received without order or regularity, I have written to Mr Bergmann on the subject, as per enclosed copy letter; and I shall be glad if you will cause the instructions it contains to be literally carried out.

You will also oblige me by sending to this Office a statement of your account with the Company, immediately on receipt of this letter.

I am, Sir,
Your Obedient Servant

Arnold White
Manager

W.

enclosure

[ENCLOSURE]

(Copy)

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.

MANAGER & SECRETARY.
ARNOLD WHITE.

London Jan 26th 1880.

S. Bergmann, Esq.
100 Wooster Street
New York.

Sir/.

I beg to acknowledge the receipt in due course of your letter of the 31st December, as to the supply of 2000 Telephones now in course of delivery by you for this Company.

I have this morning further received from you a number of invoices (of 368 telephones, 17 Switchboards, and other materials) of various dates, ranging from the 11th of November to the 10th instant, for which I beg to thank you; but I would point out that these invoices are not made out as required by the Company, nor as undertaken by you in your above-named letter of the 31st December. It is necessary that there be a separate invoice for each shipment, headed as follows:-

"Invoice of [number] packages, forwarded
" by steamer [name] New York to
" [London or Liverpool] to sail [date of sailing]

[ENCLOSURE]

2.

giving the address, mark, or number and setting out in detail the contents of each package; and you will be so good as to render these invoices in duplicate, sending one copy, as soon as possible, direct to this Office with one copy of the Bill of Lading; the other copy of invoice and Bill of Lading to be handed to Messrs Drexel Morgan & Co of New York, through whom in future, or when the account between us has been squared to a point, be good enough to draw on the Company at 60 days' sight for the amount of each invoice. Messrs Drexel Morgan & Co will take charge of the Shipping documents, cash your drafts at the highest current rate of exchange, and forward the whole to their House in London for arrangement with my Company.

My Company not only prefer this course, as ensuring regularity and saving the expense of "cabling" out money to New York, as they have done hitherto; but it is also in accordance with the Agreement between yourself and them;

[ENCLOSURE]

No. 3.

and I shall be glad if you will cause the instructions given herewith to be particularly and constantly observed.

In order that the account between yourself and this Company may be properly kept, please render to me, on receipt of this letter either direct or through Mr Edison, a statement showing how we then stand, and commence a fresh account from the time you begin to draw on the Company.

Be good enough also to note that in order to secure early delivery, all goods for this Company, whether sent to London, to Liverpool, or elsewhere, are to be consigned to the care of Messrs Pickford & Co, the carriers.

I have further to request that all your communications intended for this Company be in future addressed to the Manager, and not to Mr Johnson.

I am Sir
Your obedient Servant
(sigd) Arnold White
Manager.

GM

Affidavit by Thos. A. Edison

7 May 28/80

Menlo Park N. J. Jan 27/80

Thos A Edison of Menlo Park Middlesex County State of New Jersey being duly sworn ~~hereby makes~~ makes the following affidavit to the following

~~I declare that~~ Wm H. Preece Electrician of the British Post Office Telegraph Department visited my Laboratory in ~~the~~ month of March last date. — ~~and stated~~ ~~in the course~~

I showed him some forms of my Carbon Telephone various experimental apparatus connected therewith and fully explained to him its operative principle showing him numerous applications of it to various purposes Telephonic and Otherwise

I exhibited in operation an instrument for illustrating the variations in the strength of the current in a closed circuit by the greater or lesser intimacy of contact between the particles of carbon when subjected to pressure ~~such~~ an instrument identical in principle shape size and design to that described ~~published~~ in many English papers as the invention of proffessor Hughes

In the course of conversation I related to him how I had been ill treated by the British Postal Telegraph Department officials in the matter of certain other inventions ~~and especially~~ referred to an order for model instruments ordered through me from the PO authorities ~~to the sale to them of certain instruments for which I was to receive payment but which~~ which order I had filled at my expense and forwarded the bill to London

2 for payment Cont

(2)

payment had never been made ~~to me~~. ~~In reply to~~ notwithstanding repeated requests from me - In reply to this Mr Preece remarked, subsequently "that

Oh that ~~shall~~ will all be fixed. you fell in with the wrong people when you made you tests on our wires but I will see that Everything Is made right and that you will be afforded every facility by the PO authorities, for testing your inventions

Mr Preece then besought me to place my Telephone in his hands urging upon me the importance of so doing in order to ensure any negotiations for its use in England, ~~[illegible]~~ a successfully-issue.

I consented to do so upon Mr Preeces earnest solicitation by letter written to me upon his return to England.

In pursuance of such determination on my part I made instruments and sent them by Messrs Hurst & Field in Baldwin street date

Upon receiving information from Mr Preece that the Insts.

but him could not be made to operate satisfactorily. ~~I made~~ several improvements and then sent another set ~~and sent them~~ by a special messenger named adams to Mr Preece direct with a letter of introduction to him and with instructions to work for and carry out the orders of Mr Preece as to doing the same. While this messenger was engaged in testing or trying to test the apparatus Mr Preece, brought ~~out~~ to the public notice, the alleged invention of Hughes, and ~~a~~ short time after ~~appl~~ Mr Preece, sought to patent the device of Hughes ~~[illegible]~~ by combining it with a ~~[illegible]~~ magneto Telephone,

T. A. Edison

Copy

January 28

E. H. Johnson. Esq.

Dear Sir.

Referring to our conversation in relation to negotiations for the placing of my Telephone interests in the remaining territory in England, you are authorized to decide as to whether any proposition which may be made to you will be accepted by me.

Yours

(signed) Thomas. A. Edison

[ATTACHMENT]

T. A. EDISON,

Menlo Park, N. J., 1880.

File

Referring to our conversation in re to negotiation for the sale of my Tel[illegible] shares in remaining territory in England you are authorized to decide as to whether any proposition which may be made to you will be acceptable to you or not. ~~I will carry out or cause to be carried out any plan which you decide to be for my interests~~ undoubtedly

You know my views on the subject and will be fully able to decide whether I will or will not accept any proposition made.

[ATTACHMENT]

Edison Mr January 1880

Rt Hon E P Bouverie

[TO GEORGE E. GOURAUD]

T. A. EDISON,

Menlo Park, N. J., January 28 1880.

Cable

Menlopark

London

Eight thousand credit

Exhausted,

N.P. Cable Jany 28. 80
5-22

Edison Menlo Park

Explain /

OK Have explained

4 London

Cable Jany 28. 80

Menlopark
London

Cable one thousand pounds
Your account Exceeded

Jany 28. 80

Cable
Quebec London

Cost five dollars and considerable
delay remember and reply

11 Melville Park

BRASS AND COPPER ROLLING MILLS ESTABLISHED 1848.

See Edison

Office of Wallace & Sons,
Manufacturers of
Brass and Copper Goods

WAREHOUSE
89 CHAMBERS & 71 READE STS.
NEW YORK.

Ansonia Conn. January 28th 1880

T. A. Edison Esq.
Dear Sir

Your order for Compound Wire for London we shall ship early next week. We have always sold with this Wire our patent joint which was made expressly for it & we have invented a new & simple hand jointing tool that works much like a pair of plyers price $8.00 the joints we charge 3¢ each for. Now shall we send joints & jointing tool with the wire? Should dislike to send the wire without them as they make it so much easier for the linemen & we prefer not to have this wire connected by twist joints. Also advise us whether you wish the 7½% commission taken from our bill or sent you & oblige

Yours truly
Wallace & Sons
J.B.W.

3700
7½
1850
2590
277 50

3750
.87
3263
4
8675

T. A. EDISON,

file this

~~Menlo Park~~, N. J., January 29 1880.

Arnold H. White Esq
Dear Sir:
I am in receipt of your communication calling for my presence in England in re to the disclaimer proceedings, I have expressed my regret to your Chairman as I now do to you that compliance is impossible Mr Johnson will explain to you more fully
I am confident you will succeed without me but if it were at all possible I should obey the summons with pleasure
Please accept my thanks for the energy & tact which Mr Johnson assures me you have displayed

in forwarding the
Interests of the Edison
Telephone in England
Very Truly Yours
Edison

Your friend Mr
H ~~[illegible]~~ favored
me with a call &
I took pleasure in
showing him my
trinkets —

T. A. EDISON,

File Copy sent

Menlo Park, N. J., Jany 29 1880.

Theodore Waterhouse Esq
Dear Sir:

It is with great regret that I am compelled to deny you my presence in England. later on I shall very probably come over & see you.

I want to tender you my thanks for the invaluable service you have rendered me in the matter of bringing my Telephone before the British Public with such commercial success

Mr Johnson will explain my inability to leave the Laboratory just now.

Very Truly Yours Edison

NP

Cable Jany 29, 80
12.16 Pm

Phonos Menlo Park

Decision after seeing
Clockwork

Landon

S.S. "Bothnia"

CABLE ADDRESS,
"GOURAUD, LONDON."

file

6. Lombard Street, E.C.
London Feby 6th 1880

T. A. Edison Esq.
Menlo Park

My dear Edison

Post Office Question. I send you by book-post a copy of the affidavits filed by the Telephone Company. I wish you would write a letter to each of the gentlemen who have been good enough to give their affidavits in this case, or if you do not feel like writing to all, write at least to Sir William Thomson who was the first to come forward, and who refuses to take any fee in the matter, expressing at the same time his great admiration for you and your work. I think it would be agreeable to him to receive some acknowledgement from you.

I am my dear Edison.
Yours very truly.
E. Gouraud

[ATTACHMENT]

In the High Court of Justice.

EXCHEQUER DIVISION.
(QUEEN'S REMEMBRANCER'S OFFICE.)

Between HER MAJESTY'S ATTORNEY-GENERAL ON BEHALF OF HER MAJESTY - - - - - *Informant.*

AND

THE EDISON TELEPHONE COMPANY OF LONDON LIMITED - - - - - - *Defendants.*

Affidavits filed on behalf of the Defendants.

Affidavit of EDWARD PLEYDELL BOUVERIE, of 44 Wilton Crescent in the County of Middlesex a Member of Her Majesty's Privy Council.
Sworn 20th January 1880.
Filed 27th January 1880.

STATES—

1. I am the Chairman of the Edison Telephone Company Limited and have been such Chairman since the formation of the Company in the month of August last.

2. I have read the information in this cause filed by the Attorney-General against the said Company and my attention has been called by Mr. Arnold White the secretary and manager of the Company to the evidence filed in support of the motion for injunction so far as that evidence relates to the nature of the business done by the Company.

3. The Company was formed not for the purpose of collecting receiving and transmitting or delivering public messages or indeed any messages or other communications whatsoever. It was formed for the purpose of introducing to the public the Edison Telephone and bringing it into practical use and to enable private persons by its use to communicate with each other by ordinary speech at a distance from each other and not by message.

4. The Company leases Telephones and erects and maintains private wires charging an annual rental for so doing.

5. The business which the Company transacts and which it is the intention of the Directors to continue to transact is in no way similar to the business formerly carried on by the various Telegraph Companies throughout the country prior to The Telegraph Act of 1869. The Company never yet has transmitted and it does not contemplate transmitting messages either for the public or for the persons for whom it maintains Telephonic apparatus. It is simply a contractor for the erection and maintenance of apparatus for private Telephonic communication that is for communication by direct speech at a distance in lieu of communication by message or written communication.

6. The exchange system described in the information and the maintenance of the apparatus for which is one portion only of the Company's business is (with the exception of the essential difference between a Telephone and a Telegraph) identical with the private Telegraph Exchange system which has as I am informed and believe been in operation in Glasgow for several years past.

Affidavit of ARNOLD HENRY WHITE of No. 11 Queen Victoria Street in the City of London secretary and manager of the Defendant Company.
Sworn 26th January 1880.
Filed 27th January 1880.

STATES—

1. I have read the information in this cause filed on the 27th day of November One thousand eight hundred and seventy-nine and I have read the notice of motion for injunction served upon the Company's Solicitors on the 10th day of January instant and the affidavits filed in support of the said motion.

2. The Edison Telephone (which is alone used by the Defendant Company) is an instrument for reproducing articulate speech by means of electricity. It enables two persons without any previous acquaintance with the instrument and without any code of signals to converse directly with each other without the intervention of a skilled operator or any other person to transmit or interpret the communication.

3. The Defendant Company was not formed for the purpose of transmitting messages either for the public or for private persons and it is not and never has been the intention of the Company to transmit such messages. The Defendant Company was formed for the purpose of

leasing Telephones to Corporations Companies and persons fixing the private wires necessary to complete the communication and maintaining such Telephones and wires in proper working order. The Defendant Company does not as a fact collect receive and transmit or deliver any messages between any persons whatever and therefore does not receive any money or valuable consideration for the collection receipt and transmission or delivery of such messages. The business of the Defendant Company is therefore in no way similar to the business formerly carried on by the various Telegraph Companies throughout the country and which is now vested in the Postmaster-General.

4. The business conducted by the Defendant Company is as follows :—

(1.) The Company leases for a term of three years at an annual rent to a Corporation Company or person a pair of Telephones each instrument consisting of a transmitter and a receiver. The Company has been accustomed to include the batteries required for the production of the electric currents and a bell to enable the person who speaks to call the attention of the persón to whom he desires to speak. The Company also undertakes to maintain the said instruments in working order during the term. In such a case the lessee either already possesses a private wire of his own or gets some other Company or person to run such a wire for him. The printed paper now produced and shown to me marked A is the form of agreement adopted in such cases.

(2.) The Company leases for a term of three years at an annual rent to a Corporation Company or person a pair of Telephones in manner above described and also a wire connecting the two places at which the customer desires the two Telephones to be fixed. In such a case the Company runs the said wire between the two places for the customer by means of contractors employed by the Company or by the Company's employées and such wire when laid is during the term of the lease used solely for the private purposes of the customer. The Company undertakes to maintain the said instruments and wire in working order during the term. The printed paper now produced and shown to me marked B is the form of agreement adopted in such cases.

(3.) In some cases the Company leases a pair of Telephones for a term of three years at an annual rent in manner firstly before described under an agreement in the form marked A hereinbefore referred to and sells a wire connecting the two places at which the Telephones are fixed instead of leasing it for a term. In such a case the wire is run by the Company by means of a contractor employed by the

Company or by the Company's own employées and such wire when laid and sold becomes the absolute property of the customer for whom it is laid and is used solely for his own private purposes. The printed paper now produced and shown to me marked C is the form of agreement adopted by the Company on the sale of a wire.

4. When a considerable number of persons in any neighbourhood are desirous of speaking to each other by means of Telephones and private wires the system known as the exchange system is adopted. This is done for the purpose of reducing as far as possible the number and the length of the wires to be laid. If for example four persons reside at the four corners of a square each side of which measures half a mile six wires measuring in all nearly 3½ miles will be required to directly connect them all. But if a wire is run from the residence of each of the four persons to the centre of the square these four wires measuring in all less than 1½ miles will be all that is required. Acting upon this principle the Company undertakes to run a private wire for any person from his residence or place of business to some central point and leases or sells to him the said private wire upon terms similar to those contained in the forms of agreement marked B and C hereinbefore referred to. The Company also leases a Telephone to him upon terms similar to those contained in the form of agreement for lease of a pair of Telephones marked A hereinbefore referred to. Any two persons having a Telephone and hiring or purchasing such a private wire can by this means carry on a conversation upon their own wires the extremities of such wires being placed in contact at such central station. The Telephones so leased and the wires so leased or sold are during the term of the lease used solely for the private purposes of the customers. The printed paper now produced and shown to me marked D is the form of agreement adopted in these cases.

5. It would be quite possible for the private wires running to the central station to be permanently united at the centre but if that were done any person having a private wire to the central station could by rotating the chalk cylinder in the receiver of his Telephone overhear any conversation taking place between two other persons and it would not be possible for more than two persons to converse at the same time. The ends of the private wires running to the central station are therefore not placed permanently in absolute contact but a boy is placed at the central station who at the request conveyed by means of his own Telephone of any person owning a wire running to that station places the private wire of that person in contact with the private wire of the person to whom he desires to speak and disconnects the wires upon a like request made in the same way. The room to which the wires are brought is rented by the

Company and the boy who upon request connects or disconnects a wire is employed by the Company and the agreement marked D hereinbefore referred to contains an undertaking on the part of the Company to perform this service but this is not a necessary part of the arrangement as the room might be rented and the boy employed by the owners of the wires the annual payment to the Company being reduced.

6. I have read the 25th paragraph of the said information and I say that the same does not correctly describe the mode in which conversation is carried on between two persons through the central office nor does it correctly describe the duties of the boy stationed there. When the person who desires to speak has informed the boy of the name or number of the person to whom he wishes to speak the boy after withdrawing the plug from the central office bar and inserting it between the vertical bar in connection with the transmitting station and any one of the horizontal bars in the switch board which may not be in use withdraws the plug belonging to the vertical bar of the corresponding station and inserts it not as stated in the said information between that bar and the central office bar but between that bar and the horizontal bar previously plugged into electrical connection with the vertical bar of the transmitting station. It is not true as stated in the said information that the boy gives an electric signal from the central office to the corresponding station. The boy never places his own Telephone in electrical connection with the Telephone of the person with whom communication is desired and no communication of any kind electrical or otherwise passes between them. The boy's duty is to place the wires of the two persons in contact and this he does at the request of the one who wishes to speak. When these two persons have completed their private conversation through their own wires either or both of them informs the boy at the central office that the conversation is at an end in the same way as the person who began the conversation informed the boy that he wished to speak and the boy then disconnects the two wires in the manner stated in the said 25th paragraph of the information.

7. No public telegraphic messages are transmitted by the Company and no charge is made in respect of the collection receipt transmission or delivery of telegrams. The Company transmits no messages but simply maintains Telephones and wires for private use receiving from the lessees and owners an annual rent for the use and maintenance of the instruments and (if the wire is leased and not sold) for the maintenance of the wire. Every form of lease adopted by the Company contains a special provision that the Telephone and apparatus or the Telephone apparatus and wire (as the case may be) are solely for the private use of the lessee and are to be used exclusively for conversation by him his clerks servants and others authorized by him on matters relating to his business or private affairs

and are not directly or indirectly to be used in any way or manner for the transmission of messages for the public and that the lessee shall not allow the same to be used for money or other valuable consideration by any person or persons whatsoever and if the lessee of any Telephone or wire has allowed the same to be used at any time in contravention of this provision it has not been with the knowledge or consent of the Company.

8. I find that the word "message" is defined in Johnson's dictionary as "an errand—anything committed to another to be told to a third" and in Walker's dictionary as "anything committed in words or writing to "some one in order to be delivered to a third—an errand."

9. In the 5th session of the present Parliament a Bill promoted by the Postmaster-General was introduced into the House of Lords intituled "An Act to make further provision respecting the Post Office Telegraphs." The said Bill was passed by that House and was brought down to the House of Commons on the 11th day of July 1878 and on the following day it was ordered to be printed by the House of Commons. The said Bill in the form in which it passed the Upper House proposed to enlarge the powers possessed by the Postmaster-General under the Telegraph Acts and among other things it proposed to enlarge the definition of the term "Telegraph."

10. The 3rd section of the Bill as printed for the House of Commons was in the following words—"In the construction of the Telegraph Act "1869 the term 'Telegraph' shall in addition to the meaning assigned to "it by that Act include any apparatus for transmitting messages or other "communications with the aid of electricity magnetism or any other like "agency." The printed paper now produced and shown to me and marked E is a copy of the said Bill as printed for the House of Commons.

11. This extended definition was to the best of my knowledge information and belief introduced into the said Bill for the express purpose of including a Telephone within the definition of a "Telegraph" and so bringing the instrument within the monopoly vested in the Postmaster-General and this was so far as I am aware the first attempt ever made by the Post Office to extend the monopoly granted to that department by the Telegraph Act 1869 to communication by means of speech.

12. I have ascertained from Hansard's reports and from other sources of information that objection was taken to the said clause during the passage of the said Bill through the House of Commons that a Petition was presented against the Bill by the Telephone Company Limited which is a Company formed to work the Telephone invented by Professor

Graham Bell and that a deputation consisting of Members of Parliament and others had an interview with the Postmaster-General on the subject. It was urged by those who opposed the Bill that the proposal to extend the Postmaster-General's monopoly by extending the definition of a "Telegraph" was unfair to those who relying upon the existing definition had embarked capital in bringing into practical use a new discovery and was also unfair to those who had since the date of the Telegraph Act 1869 invented these new methods of communication and to those who might hereafter make further discoveries in the same direction. The printed paper marked F now produced and shown to me is as I am informed and believe a true copy of the said Petition.

13. After the said Petition had been presented and objection had been taken to the said clause as hereinbefore mentioned the Post Office entered into negotiations with the said Telephone Company Limited (with the precise nature of which I am not acquainted) with the view of inducing the said Telephone Company Limited to withdraw their opposition and as the result of these negotiations the said Petition was in fact withdrawn and I am informed and believe that as a consideration for withdrawing the same the Post Office undertook to give to the said Company certain facilities in carrying on their said business and in laying wires for the purpose of Telephonic communication and that such undertaking was embodied in a Treasury minute.

14. Notwithstanding the withdrawal by the said Telephone Company Limited of their said Petition the Postmaster-General was not able to carry the said extended definition through the House of Commons in consequence (as I have been informed and believe) of the opposition raised by Members of the House and the said section was consequently withdrawn and the definition contained in the Act of 1869 was not extended as proposed.

15. The Defendant Company has invested a large capital in the purchase of the patent rights of Mr. Thomas Alva Edison and in the development of the business hereinbefore described. Among other orders which the Defendant Company has received and has undertaken to execute are the following :—

(1.) To connect the central office of Baron Reuter at 23 Old Jewry in the City of London with the offices of the "Times" and the "Daily Telegraph" so as to enable the said Baron Reuter to dictate the various telegrams received at his central office from all parts of the world direct to the publishing offices of the said newspapers and to answer questions relating thereto and thus save time

and give to the public earlier information than is possible under the present system.

(2.) To connect the reporters' room at the House of Commons with the printing office of the "Times" and thus enable the reporters of that newspaper to dictate their shorthand notes of the debates direct to the type-setters at the "Times" office without writing out their shorthand notes or sending them by hand to the "Times" office and thereby enable the "Times" to report the debates to a later hour than is possible under the present system.

(3.) To connect the reporters' room at the Houseof Commons with the offices of the "Daily News" the "Standard" the "Daily Telegraph" and other newspapers for the purpose of enabling them to supply the public with fuller and later intelligence of the debates.

(4.) To connect the central office of the Metropolitan Fire Brigade in Southwark Bridge Road with other stations for the purpose of saving time in giving orders to local superintendents as to the despatch of fire engines and firemen on the occurrence of a fire in the metropolis.

16. If the injunction sought to be obtained be granted the Company will be unable to execute the various orders which it has undertaken to carry out and not only will the Company suffer very great pecuniary loss but very great inconvenience will be caused to the public to whom such means of communication is daily becoming more necessary.

Affidavit of SIR WILLIAM THOMSON Professor of Natural Philosophy in the University of Glasgow Fellow of the Royal Society.
Sworn 20th January 1880.
Filed 27th January 1880.

STATES—

1. I have read the affidavits of Edward Graves and William Henry Preece filed in support of the motion for injunction in this cause.

2. At the time at which I wrote the article under the head "Telegraph" for the "Encyclopædia Britannica" quoted in the affidavit of the said Edward Graves and at the time at which I delivered the lectures at the Royal Institution referred to in the affidavit of the said William Henry Preece I had not the slightest idea that an electric telegraph wire could ever be used for the transmission of speech. In the exceedingly general definition of a telegraph which I then gave I did not in any way contem-

plate including such an instrument as the Bell or the Edison Telephone and in my judgment neither of these instruments can be correctly included in the term "Telegraph" according to the definitions of the Acts of 1863 1868 and 1869 which definitions I have read.

3. I cannot conceive it to be possible that so entirely novel an application of electrical science as these instruments involve can be considered to have been included in the monopoly which Parliament gave to the Post Office Department. When the Telegraph Acts were passed the Telephone had not been invented and no one concerned in that legislation had the slightest idea nor had any one living the slightest idea that it would be possible so to extend the power of speech as to enable persons at a distance to converse with one another.

4. Previously to the invention of the Bell and Edison Telephones the only mode of communicating between two persons at a distance was by personal messages or by writing or by the use of some previously arranged code of signals or by voice tubes.

5. The musical toy invented by Reis about the year 1860 was not in any sense a speaking Telephone nor could it transmit articulate speech. It was simply an instrument based upon the discovery of Page in 1837 that an iron bar when magnetised emits a sound and Reis succeeded in producing musical tones by rapidly magnetising and demagnetising such a bar the rapid succession of sounds thus created producing a musical note.

Affidavit of GEORGE GABRIEL STOKES of Cambridge Lucasian Professor of Mathematics in the University of Cambridge Secretary and Fellow of the Royal Society.
Sworn 24th January 1880.
Filed 27th January 1880.

STATES—

1. My attention has been called to the affidavits filed on behalf of the Postmaster-General in support of the motion for injunction against the Defendant Company in this cause and particularly to those portions which relate to the meaning of the term "Telegraph" and the alleged similarity between the Telephone and the various instruments used for telegraphic communication. I have also read the affidavit of Sir William Thomson sworn in this cause in opposition to the said motion on the 20th day of January instant.

2. The Telephones of Professor Graham Bell and Thomas Alva Edison are entirely novel inventions and are based upon new applications of electrical science of the greatest interest and importance. There is no real similarity between the speaking Telephone and the various instruments used for telegraphic communication except that both require the agency of electricity and therefore a battery or magnet and a wire to conduct the current is essential to both. Neither the transmitter nor the receiver of the Telephone in any way resemble in their mode of operation the corresponding parts of a telegraphic instrument and if a single word is to be used to include both a Telephone and a Telegraph it must in my opinion be wide enough to cover every instrument which may ever be invented which employs electricity transmitted by a wire as a means for conveying information.

3. I draw the broadest possible distinction in my own mind between mere improvements in the mode of sending and receiving a preconcerted code of signals and a discovery of so totally novel and unexpected a character and so different in its results as that of the Telephone and for this reason I fully concur in the opinions which Sir William Thomson has expressed in the 2nd and 3rd paragraphs of his said affidavit.

Affidavit of JOHN TYNDALL Fellow of the Royal Society and Professor of Natural Philosophy in the Royal Institution of Great Britain.
Sworn 28th January 1880.
Filed 29th January 1880.

STATES—

1. I have read the affidavits of Sir William Thomson and Professor Stokes filed in this cause on the 27th of January instant.

2. I have never on any previous occasion expressed an opinion in any legal proceedings on questions affecting the application of science to the uses of life and I have always stedfastly declined to do so when requested but having explained the principles and illustrated the action of the Telephones of Mr. Graham Bell and Mr. Thomas Alva Edison in the lecture theatre of the Royal Institution I am desirous that my silence should not be misinterpreted and I have therefore on this occasion consented to express the opinions hereinafter contained.

3. Comparing in the first place the ordinary telegraph with the scientific results achieved before that telegraph became a patented invention and comparing in the second place the Telephones of Bell and

Edison with the existing telegraph the advance as regards novelty and originality is in my opinion vastly greater in the second case than in the first. The one was a difference of degree the other is a difference of kind.

4. Prior to the labours of Bell and of Edison it had never to my knowledge entered into the thoughts of scientific men to transmit by means of electricity the tremors of the human voice so as to reproduce audible and articulate speech at a distance. The proof that this was not only possible but practical appeared to those most familiar with experimental physics to be an application of electrical and acoustical science not only new but marvellous. I have therefore no hesitation in expressing the opinion that to confound the telephone with the telegraph would be to place in the same category utterly dissimilar things.

5. If any further exposition of my opinions is needed I would refer to the 3rd paragraph of the affidavit of Sir William Thomson and to the 2nd paragraph of the affidavit of Professor Stokes both of which I substantially endorse.

Affidavit of JOHN HALL GLADSTONE of 17 Pembridge Square in the County of Middlesex Doctor of Philosophy in the university of Giessen a Fellow of the Royal Society late Fullerian Professor of Chemistry at the Royal Institution formerly President of the Physical Society and of the Chemical Society and a member of the Society of Telegraph Engineers.
Sworn 23rd January 1880.
Filed 27th January 1880.

STATES—

1. I have perused the affidavits of Edward Graves William Henry Preece Robert Sabine Cromwell Fleetwood Varley Sir Charles Filston Bright Josiah Latimer Clark David Edward Hughes William Henry Barlow and Warren De La Rue filed in support of the motion for an injunction in this cause and I have paid special attention to those parts relating to the meaning which is to be attached to the terms "Telegraph" and "Electric Telegraph."

2. The term "Telegraph" appears to have been first used towards the end of the last century. It was always so far as I am aware employed to describe a mode of communicating intelligence to a distance greater than the human voice will naturally reach by means of a code of arbitrary signals previously agreed upon. I am confirmed in my belief that the term

is always used with this meaning by the various extracts from works in which the term is used set out or referred to in the affidavit of the said Robert Sabine in all of which the word is used in this sense. For example the telegraph of William Amonton is described in 1794 as the "language " of signals" and as a "contrivance of art to transmit thoughts in a peculiar " language from one distance to another" and in "Rees' Cyclopædia," published in 1819 the telegraph is described as "a machine adapted for com- " municating intelligence at a distance by making various signals which have " been previously agreed upon between two parties to represent letters " words or ideas."

3. I find in the edition of the "Encyclopædia Britannica" published in the year 1842 the following definition of a telegraph and of a telegraphic communication in an article under the head "Telegraph" stated to have been written by Sir John Barrow Bart. F.R.S.

"Telegraph so named from two Greek words τελος end or dis- "tance and γραφω I write is a machine so constructed as to enable "two persons to converse with each other at a distance either by "sentences words or letters according to a convention previously "agreed upon by the parties. Such a mode of communicating "ideas beyond the reach of hearing is not however confined "to any particular machine. The fingers of the human hand "are quite sufficient as every young boarding school lady knows "for the purpose, and when so applied, may be called a telegraph. "Thus also the signal flags used on board ships to communicate "with each other by making them represent letters or numbers "constitute a telegraph as may also the sending up of skyrockets "blue lights the suspension of lanterns the making of fires on "beacons high hills &c. be considered as telegraphic communi- "cations."

4. The various instruments to which the term was applied prior to the application of electricity to telegraphy all required so far as I am aware a previously agreed upon code of signals and a person at each end acquainted with that code to transmit and to interpret the message sent.

"5. The application of electricity to telegraphy constituted the "Electric Telegraph" but did not so far as I am aware alter the meaning of the term "Telegraph." An artificial code of signals had still to be made by the person transmitting the message and these signals had to be interpreted at the receiving end.

6. Various devices existed at this time for artificially extending the limits within which articulate speech could be made use of for conveying intelligence such as speaking trumpets and speaking tubes but so far as I am aware this method of communication was never termed "Telegraphy."

7. Various mechanical improvements have from time to time been made in the instruments used for electric telegraphy with the view of simplifying the process of transmitting intelligence. For instance the A B C instrument and the type-printing instrument. In the A B C instrument the person transmitting the message turns a handle and directs a pointer to the letters of the alphabet arranged in a circle and this causes a pointer at the receiving end to indicate in a similar way by means of electricity the letters of the message transmitted. But this may be termed a telegraph without in any way extending the meaning of the word. Although the signals used are familiar ones with which all educated people are acquainted they are still signals and although the simplicity of the instrument reduces the amount of skill required by the transmitter and receiver of the message it is still necessary to have intelligent operators to transmit and to interpret the message. Again the type-printing machine enables the person transmitting the message to print it off at the distant station in Roman capitals and another modification of the electric telegraph enables the person transmitting the message to write it. Although these improvements simplify still further the duties of the person receiving the message it is still in my opinion strictly a telegraphic message within the original meaning of the term. The etymology of the word telegraph moreover would in my opinion suffice to bring these modifications of the system of electric signalling within it.

8. The instruments known as "Sounders" are also strictly instruments which transmit communications by signal though in this case the signal reaches the ear and not the eye. Letters of the Morse alphabet or other signs are transmitted as before. Sound is in no sense transmitted nor does it reproduce speech. It is created at the receiving station only and has no resemblance to the words when spoken.

9. The actual reproduction of sound was I believe first effected by Reis by an instrument manufactured by him about the year 1860. I have read the affidavit of Dr. Fleming sworn in this cause on the 19th day of January instant and I believe that he correctly describes the mode in which this instrument worked. Whatever may have been Reis's idea of the capabilities of the instrument he never succeeded to the best of my belief in making the instrument transmit anything like articulate speech.

It was never applied to any practical use and was in fact only a scientific toy. If it had been used for the purposes of communicating messages it could only have been so employed by transmitting through it a prearranged code of signals.

10. The first instrument which so far as I am aware ever reproduced articulate speech was the Telephone of Professor Graham Bell invented in or about the year 1876. I was present at the meeting of the British Association at Glasgow in the autumn of that year when that instrument was exhibited by Sir William Thomson and to the best of my belief this was the first instrument brought to this country. The Telephone of Mr. Edison was brought before the public somewhat later. The Telephones of these inventors in my opinion involve an entirely novel application of electrical science and constitute new inventions distinct in principle from all previous applications of electricity to the transmission of intelligence.

11. Prior to the year 1876 I did not conceive it possible that speech could be transmitted by a wire similar to that used for telegraphic communication and the practicability of thus extending the power of speech so as to enable persons at a distance to converse without any artificial code of signals and without the intervention of skilled operators to transmit and interpret the communication was not so far as I am aware believed in by any one.

12. The Speaking Telephone cannot in my opinion be correctly described as a Telegraph and I cannot conceive that when the exclusive privilege of transmitting public telegraphic messages was given by Parliament in the year 1869 to the Postmaster-General it was intended to include actual conversation between persons at a distance whether carried on by speaking-tubes and trumpets or other means then in use or by improved means not then contemplated but which might thereafter be discovered.

Affidavit of GEORGE CAREY FOSTER of 12 Hilldrop Road in the County of Middlesex Professor of Physics at University College London formerly Examiner in Experimental Philosophy in the University of London Fellow of the Royal Society Vice-President of the Society of Telegraph Engineers and late President of the Physical Society.

Sworn 26th January 1880.

Filed 27th January 1880.

STATES—

1. My attention has been called to the affidavits filed on behalf of the Postmaster-General in support of the motion for an injunction against the Defendant Company in this cause and I have paid special attention to those portions which relate to the meaning of the term "Telegraph" and to the similarity which is stated to exist between the Speaking Telephone and the various forms of instruments in use for ordinary telegraphic communication.

2. In my opinion the words "Telegraph" and "Telegraphic communication" which I find used in the Telegraph Acts must mean such forms of instrument and such methods of communication as were known and used at the date of the Acts with such further inventions as may fairly be considered as modifications or improvements of these.

3. I am of opinion that although the Speaking Telephone could not have been invented by any one who was not already familiar with the fact of the communication of intelligence by the electric telegraph the invention of the Telephone is essentially distinct from any form of electric telegraph and that it depends upon the application of different principles. This becomes evident on comparing the Speaking Telephone with any of the various forms of acoustical telegraph such as Sir Charles Bright's Bell Telegraph or the Morse Sounder. These systems are all strictly modifications of the methods of visual telegraphy. Instead of a needle simply pointing to the right or to the left it is made to strike a bell of higher pitch when it moves one way and one of lower pitch when it moves the other way or instead of short and long marks being made upon a strip of paper sounds of shorter or longer duration are produced or more commonly identical sounds are separated by longer or shorter intervals of silence. In all cases the conventional rules by which the elementary signs are grouped into intelligible symbols are similar whether the signs themselves are perceived through the eye or through the ear. The sound is not reproduced but it is created at the distant station in the mode above described and this sound bears no resemblance whatever to the words which according to the artificial code employed the signals are considered to represent.

4. Even in Reis's instrument by which musical tones were reproduced with considerable success as early as 1860 no essentially new principle was involved. In the most usual forms of electric telegraph the number of movements made by the receiving instrument corresponds with the number of battery contacts made at the sending station. Hence it was evident that if the battery contacts could be made to follow one another with sufficient rapidityand each separate contact could be made to produce an audible effect at the distant station the succession of sounds would produce a musical tone. The step which Reis made was to realize the practical conditions requisite for the production of these results by taking advantage of previously known phenomena.

5. The invention of the Telephone on the other hand depends upon two distinct discoveries one relating to the communication of vibrations between solid bodies and the air the other to the employment of the

vibrations excited in solid bodies by sound waves to cause periodic variations in the strength of electric currents. I am satisfied that before the invention of the Speaking Telephone no one knew and few physicists would have believed that the same solid body was capable of taking up from the air all the countless and minute varieties of vibratory motion which are concerned in the production of articulate speech. Again no one knew that even if it were possible to cause the strength of an electric current to vary periodically at one part of a long conducting circuit in a manner corresponding with the vibrations of articulate speech these minute variations would still be sufficiently perceptible at a distant point and retain in a sufficient degree their individual character to make it possible to produce by means of them at that point audible vibrations exactly corresponding to those by which they had themselves been produced at the first point.

6. For these reasons the Speaking Telephone cannot in my opinion be considered to be simply a new application of the same principles as those upon which the action of the electric telegraph depends and cannot therefore in any sense be called a mere modification or development of the system of telegraphy in use in and prior to the year 1869. On the contrary it is based upon physical knowledge which did not exist at that date.

7. For the reasons stated in this my affidavit I am unhesitatingly of opinion that the Telephones of Professor Graham Bell and Thomas Alva Edison are not telegraphs within the meaning of that word as it appears to me to be used in the Telegraph Acts.

8. I have read the affidavits of Sir William Thomson and Professor Stokes sworn in this cause in opposition to the said motion for an injunction on the 20th and 24th days of January instant and I entirely concur in the accuracy of the opinions and statements of fact expressed and contained in those affidavits.

Affidavit of JOHN AMBROSE FLEMING of No. 181 Camden Road in the County of Middlesex.
Sworn 19th January 1880.
Filed 27th January 1880.

STATES—

1. I have been engaged in the study and practice of Electrical Science for the last seven or eight years and am the author of several papers on electrical subjects read before the Physical Society the Royal Society and the British Association. I obtained the degree of Doctor of Science in the

University of London in the special subjects of Electricity Magnetism and Telegraphy and I am now Assistant Examiner in Experimental Physics in that University. I have devoted special attention to Telegraphy Telephony and the history of their successive stages of development.

2. I have carefully read the affidavits filed in this cause in support of the motion for an injunction against the Defendant Company.

3. Up to the year 1869 with the exception of certain then recently invented instruments which actually printed or wrote the message the only mode of communication between two persons at a distance was by some apparatus making use of electricity or other means to convey information by a set of preconcerted signals. Every such apparatus whether an electric telegraph in the ordinary sense or a telegraph making use of visual or audible signals required two things in addition to the apparatus itself namely—

(1.) A preconcerted code of signals.

(2.) A skilled observer at each end to translate out of the vernacular to transmit the signals and to re-translate the signals received into the vernacular.

4. In the year 1837 Mr. Page of America made the discovery that when an iron bar is magnetised a slight click is heard, and in 1860 Philip Reis based upon this discovery an apparatus for transmitting musical notes. The movement of a diaphragm was used to make and break an electric circuit. The circuit contained at the distant end an electric magnet. The rapid succession of clicks ran together and yielded a musical note of the same pitch as that which set the diaphragm in vibration.

5. The modus operandi of Reis's Telephone may be briefly described thus—A stretched tympanum had pressed gently against it a platinum point and a current of electricity was made to pass from the point to a little disc of platinum fixed to the diaphragm. When the diaphragm vibrated under the influence of a musical sound the electrical contact was made and broken at the point and the current interrupted just as many times per second as the diaphragm vibrated. An intermittent current thus passed to the line wire and at the distant end passed through the wire of an electro magnet supported on a resonant box. The interrupted current magnetised the magnet as many times per second as the current was made and the magnetic clicks thus produced ran together into a musical note. But in Reis's instrument there was no intermediate stage between current on and current off no graduation of current and therefore no possibility of transmitting a current whose strength

varied with the variation of air pressure. This instrument had no claim to be called a Telephone in the sense of a speech transmitter inasmuch as it never did and never could transmit the infinitely more complicated wave form of speech.

6. Reis's instrument was slightly improved upon by Wray and in the course of the next ten years Varley and Elisha Gray brought out similar instruments for transmitting musical sounds. But no one achieved the transmission of speech until in 1876 Graham Bell exhibited at the Philadelphia Exhibition his Magneto-Telephone. Sir William Thomson there inspected it and on his return he brought with him to England one of the first Telephones made by Bell and exhibited it to the British Association at Glasgow in September 1876 where I saw it. This was to the best of my belief the first Telephone publicly exhibited in England which would transmit speech.

7. During the previous years Edison had been making experiments in the same direction and on the 30th of July 1877 he patented in England a Speaking Telephone based on an entirely different principle from Bell's Telephone.

8. In Edison's instrument the current from the battery never passes into the line wire at all but passes through a coil of wire and through a carbon disc or button against which is pressed a diaphragm. The movements of this diaphragm under the influence of sound waves compress more or less the carbon and cause a variation of the strength of the battery current. The battery current never goes into the line wire at all but the variations in the strength of the currents through the coil are made to induce currents in an adjacent coil which is connected with the line wire. At the receiving end the line wire is connected with one end of a coil of wire whose other end is placed in connection with the earth. Over this coil but carefully insulated from it is another coil of wire the two ends of which are in connection with the receiver. This consists of a chalk cylinder moistened with some chemical. On this chalk cylinder rests a platinum pointed lever. The other end of the lever is made fast to the centre of a mica diaphragm. When the chalk cylinder is revolved by a crank the friction of the point on the chalk bends in the mica tympanum. The ends of the second coil alluded to above are in connection with the axis of the chalk cylinder and the lever. The induced current in the line wire induces another current in the secondary coil and when this current passes through the point of contact of the platinum pointed lever and the chalk cylinder it diminishes the friction and causes the point of the lever to slip and the tympanum to vibrate. In this way vibrations are set up in the receiving diaphragm which exactly correspond with those made by the sending diaphragm.

9. In all forms of electric telegraph the battery current goes into the line wire and influences directly the instrument at the other end and at the moment of making the signal the sending instrument of an electric telegraph is in direct metallic connection with the receiving instrument but in the Edison Telephone it is not so the sending instrument is not in metallic connection with the line wire and the currents from the sending battery do not pass into the line wire at all.

10. In my opinion the Edison Telephone may be properly described as an apparatus by which one person causes the air at a distant station to vibrate in an exactly similar manner to that in which it vibrates close to his mouth and this is what happens in ordinary speech. There is no signal and no code and no trained or skilled observer or sender at either end.

11. When I standing in one closed room shout to another person in an adjoining room the waves of sound from my voice beat against the wall transmit their motion to the particles of the wall and these again hand on the motion to the air in the other room. In this case the molecules of the wall constitute an apparatus by which motion of the air in one place is repeated in another. The Edison Telephone does just the same thing.

12. In a telegraph as ordinarily understood the idea of a signal is an integral part of the notion and apart from a recognized code and a pair of trained observers at either end the electric telegraph is of no practical use to the public.

13. In the 11th paragraph of the affidavit of William Henry Preece filed in support of the motion for an injunction it is stated that Sir William Thomson defines the telegraphic art as "the art of exchanging "ideas by means of dead matter occupying space between two intelligent "beings." This definition is in my opinion far too wide and cannot be taken as correct or as the meaning of the words in the Acts of 1863 and 1869. According to that definition ordinary speech is telegraphy and a spoken word is a telegraphic message for it is the interchange of ideas by means of dead matter (namely the air) occupying the space between two intelligent beings. Again if transmission of ideas by means of any preconcerted signal is telegraphy ordinary electric bells and even common bells such as are fitted up in public buildings by various firms for valuable consideration are telegraphs since they effect a transmission of ideas by means of preconcerted electric or other signals. Furthermore speaking tubes achieve the purpose of creating at a distant spot aerial vibrations in different air similar to those made at one end. The essential element of these acoustical tubes or telephonic contrivances which differentiates them

from a telegraph is not the particular means employed to raise a sound at a distant spot but the absence of intermediate persons who act as part of the apparatus of telegraphy as far as the public is concerned.

14. In my opinion the mere use of means to extend the limits through which the human voice is audible cannot be held to constitute a telegraph. The Edison Telephone is only a complicated form of speaking trumpet and in none of its parts does its construction resemble except superficially any telegraphic instrument in use.

15. The Telephones so called invented by Reis in 1860 and by Varley in 1870 had nothing whatever in common with Edison's Telephone except the name. All that they could do was to transmit musical notes which might by convention or establishment of a code be used as telegraphs but in no other way nor had any apparatus to transmit speech as speech been actually constructed to the best of my belief even as late as 1875 and certainly not in 1869.

Affidavit of BARON JULIUS DE REUTER of No. 18 Kensington Palace Gardens in the County of Middlesex.

Sworn 26th January 1880.
Filed 27th January 1880.

STATES—

1. I have been for the last 30 years largely engaged in the business of obtaining and distributing information from all parts of the world by means of the system ordinarily known as Reuter's Agency and in the conduct of such business I have had great practical experience in the various systems of telegraphy in use and have made myself acquainted with the various improvements from time to time made in the systems of telegraphic communication in ordinary use.

2. Prior to the discovery by Professor Graham Bell in the year 1876 of the Speaking Telephone no means so far as I am aware existed whereby speech could be transmitted beyond the ordinary limits of the human voice except by a speaking trumpet or speaking tube. The Telephones invented by Graham Bell and Thomas Alva Edison have by the application of electricity enormously extended the distance over which speech can be transmitted and it is now possible for two persons many miles distant from each other directly to converse with each other with perfect ease without the intervention of any operators.

3. All the forms of telegraphs in use prior to the application of electricity to telegraphy conveyed information by means of an artificial code of visible signals which were made by the person who desired to

transmit intelligence to a distance and were interpreted by a person at the other end acquainted with the code of signals employed. The application of electricity to the transmission of intelligence largely increased the practical usefulness of the system but in no way altered its essential features. An artificial code of signals had still to be employed made by the person transmitting the intelligence by the instrumentality of electricity to the person at the distant station who had still to interpret the signals received.

4. Various practical improvements were from time to time made in the system of electric telegraphy. The A B C instrument of Wheatstone employs as signals the letters of the alphabet arranged in a circle to which a needle or pointer at the receiving station points which is directed by the person at the transmitting station who has a corresponding dial and a pointer which he works by the hand and in the Hughes type-printing instruments a mechanical arrangement enables the person transmitting the message actually to print the message he desires to send in Roman capitals at the receiving station. Although these instruments reduce to a minimum the previous knowledge and skill required by the operator at the transmitting station and the interpreter at the receiving station and the code of signals employed is one known to every educated person the transmission of a message still exhibits the same essential features as the older methods of telegraphy. The same is true of the instrument which enables the person transmitting the message to reproduce it in writing at the receiving station.

5. The transmission of articulate speech by the Telephone constitutes a new discovery of the highest value differing in its essential features from all previously known modes of electric communication. It involves neither the code of signals nor the intervention of any skilled operators to transmit or interpret the message and in my opinion this new means of communication cannot be properly described as a telegraph.

6. Prior to the inventions of Bell and Edison in and subsequent to the year 1876 I did not conceive it to be possible that a wire such as is used for ordinary telegraphic purposes could be used for transmission of speech and I am not aware that anybody believed that such a thing was practicable. I believe that no one using the term "Telegraph" or "Electric Telegraph" in the year 1869 could have had such a method of communication present to his mind. If I had at that date believed the thing to be within the limits of practical science and had desired to describe it I should certainly not have used the word "Telegraph."

Affidavit of ROBERT STEVENSON SYMINGTON of 13 Royal Exchange Square in the City of Glasgow Electrical Engineer.
Sworn 28th January 1880.
Filed 29th January 1880.

STATES—

1. I have been engaged in the study and practice of Electrical Science for about 18 years. I first became interested in the subject at the time of the invention of Wheatstone's A B C instrument.

2. From the year 1862 until about the year 1869 I was manager for the Scotch and Irish Departments of the Universal Private Telegraph Company which carried on business in various parts of Scotland and Ireland and used the Wheatstone instrument. The business of that Company consisted for the most part of the erection of private wires but the Company also had a public telegraphic business connecting Glasgow with the Western Highlands of Scotland. When the Government acquired the telegraphs it purchased all the wires both public and private of that Company. I afterwards entered the service of the Post Office as District Electrical Superintendent for the West of Scotland and I remained in the service of the Post Office for between two and three years. I left the service of the Post Office because there was no promotion open to me in Scotland. I was offered a post in London but I was not prepared to leave Scotland.

3. In or about the year 1875 the idea occurred to me of putting several persons into telegraphic communication with each other by means of private wires running from their houses or places of business to a central station and connecting these wires one with another as required so as to enable the subscribers to telegraph to one another along their own wires. For the purpose of connecting the wires at the central station I invented a switch board and on the 13th day of May 1876 I filed a provisional specification for a patent for my invention.

4. In the year 1875 I established such a telegraphic exchange at Glasgow. I ran wires from the houses or places of business of subscribers to the central station and sold those wires to the subscribers. I also sold to each subscriber one of Wheatstone's A B C telegraph instruments. I engaged a clerk to occupy the central station and to make the necessary connections and I charged an annual sum to each subscriber for maintaining the wires in working order.

5. The mode of operation adopted was as follows:—A subscriber wishing to communicate with another subscriber signalled to the clerk at the central station by means of a bell which caused a shutter to drop at the central station. The clerk at the central exchange immediately con-

nected the wire of the subscriber who had called him with an A B C instrument which the clerk had at the central exchange. The subscriber desiring to telegraph to another subscriber immediately thereupon indicated by the A B C instrument at the central exchange the number of the subscriber to whom he desired to telegraph and the clerk thereupon united the wires of the two subscribers. The two subscribers then telegraphed directly to each other on their private wires and when they had finished a signal was given by either party and the clerk thereupon disconnected the wires.

6. This system was worked continuously from 1874 to 1879 at which date I had forty-five subscribers to the exchange. The paper document now produced and shown to me and marked A is a prospectus and plan of the said exchange. It was issued and largely advertised in the City of Glasgow.

7. The exchange as worked by me was so far as I am aware the first exchange of the kind ever invented or put into operation and the Telephonic exchanges so largely used in the United States of America at the present time are based upon the same system.

8. The attention of the Post-Office was attracted to the system and on the 8th day of October 1875 a letter was addressed to me by Mr. John Cay the solicitor of the Post Office in Edinburgh calling attention to what I was doing and complaining that it was an infringement of the Government monopoly and threatening proceedings against me if the exchange was not discontinued. The paper writing marked B. now produced and shown to me is the letter so received by me from the solicitor of the Post Office in Edinburgh.

9. Shortly after receipt of the above-mentioned letter I consulted my legal adviser Mr. Robert Dunlop of the firm of Brown Dunlop and Lindsay of Glasgow solicitors who wrote on my behalf to the said solicitor of the Post Office pointing out that my system was no infringement of the Postmaster-General's monopoly as the operations were within the exceptions contained in the Telegraph Acts. The paper writing now produced and shown to me marked C is a copy of the letter written by the said Robert Dunlop as aforesaid and to which he adhibited the subscription of his firm of Brown Dunlop and Lindsay.

10. On the 21st day of October 1875 as I am informed and believe the said solicitor of the Post Office addressed to the said firm of Brown Dunlop and Lindsay a letter in answer to that written by the said Robert Dunlop as aforesaid. The paper writing marked D now produced and shown to me is the said last-mentioned letter.

11. After the receipt of the said last-mentioned letter the said Robert Dunlop on or about the 4th November 1875 went to Edinburgh and discussed the question with the solicitor at a personal interview. I am informed by the said Robert Dunlop and believe that at the said interview he urged most strongly that my system was no breach of the Telegraph Acts and that he stated in conclusion that if the solicitor did not agree with this view he must take any steps he thought fit and I should resist him to the utmost.

12. No further communication of any kind was received by me or by my legal advisers on the subject after the above-mentioned interview.

13. In addition to the said exchange I carried on a considerable business in Glasgow in laying and manufacturing other private wires not connected with the said exchange.

14. In the end of the month of October or early in the month of November 1879 the Edison Telephone Company of Glasgow Limited purchased the good-will of the said exchange and also all the plant and stock connected therewith and with the other private wires and the lease of the Central Exchange office was given over to them. Upon the Exchange office being taken over by the said Company the subscribers were supplied or are now in course of being supplied with the Edison Telephone in lieu of the A B C telegraphic instrument formerly in use and the clerk at the Central Exchange also used the Edison Telephone instead of a telegraphic instrument. With this exception the whole system continued and still continues to work as before.

15. I have inspected the Central Exchange of the Defendant Company at No. 11 Queen Victoria Street London and have examined the switch board used for the purpose of connecting the wires running to the exchange and I say that the system adopted is in all material points identical with that which I adopted at the Glasgow Exchange with the A B C telegraphic instrument between the years 1875 and 1879.

16. To the best of my knowledge information and belief the first instrument invented which transmitted articulate speech was the Telephone of Professor Graham Bell. That instrument was brought to this country in the year 1876 and in the month of November of that year I heard it at Sir William Thomson's private residence at the Glasgow University Professor Bell being present at the time. I had previously been engaged in experimenting with a Magneto-Telephone which I had made with the assistance of Mr. Bottomley (Sir William Thomson's nephew) and others. This instrument was made for experimental purposes after I had first heard

rumours from America of the possibility of reproducing speech by means of a magneto-current.

17. All telegraphic communication in practical use in this country in the year 1869 and to the best of my belief all telegraphic communication which had at that time been invented was carried on by means of writing or printing or by some other less familiar code of signals previously agreed upon which required more or less explanation to enable a person to transmit or receive an intelligible message and I am not aware that the term telegraph was at or prior to that date applied to any modes of communication except those which involved the use of such signals.

18. In the summer of 1878 my attention was drawn to a clause in a Bill then before Parliament which proposed to largely extend the definition of the term "telegraph" contained in The Telegraph Act 1869. Being at that time in correspondence with Professor Bell on the subject of his Telephone and being engaged also in supplying Bell's Telephones which I obtained from the Telephone Company Limited to persons in Glasgow for their private purposes I immediately communicated with Dr. Cameron one of the members for Glasgow pointing out that this clause would give to the Postmaster-General a monopoly of Telephones and would be likely to check further inventions and developments in this direction and I urged him to oppose the clause and I subsequently received a letter from him informing me that the opposition to the clause had been successful and that it had that day been withdrawn.

COPY CORRESPONDENCE EXHIBITED TO MR. SYMINGTON'S AFFIDAVIT.

General Post Office
Edinburgh Oct. 8 1875.

John Cay Solicitor to the General Post Office Edinburgh to Robert S. Symington 8th October 1875.

Exhibit B.

112,184

Sir

It has been brought under the notice of the Postmaster-General that an office has recently been opened in Glasgow for the reception and transmission of electric telegrams between the private offices of members and the Royal Exchange in that city and that wires have already been erected and used for this purpose.

The name of the company is not stated in the printed list of terms which has been issued by you but as your name is there given as the engineer (and presumably the responsible officer of the company) it is

to you that the present communication is addressed by desire of the Postmaster-General.

I am directed to point out to you that the undertaking in question is a direct infringement of section 4 of the Telegraph Act 1869 which gives the Postmaster-General the exclusive privilege of transmitting telegrams within the United Kingdom (under certain exceptions contained in section 5 of the same Act none of which apply in the present case) as well as of performing all the incidental services of receiving collecting or delivering telegrams.

I have further to point out to you that under section 6 of the same Act any company corporation or person who transmits or aids or is concerned in transmitting any such telegram or aids or is concerned in its receipt collection or delivery in contravention of such privilege shall on summary conviction be liable to a penalty of £5 *for every offence* and that where the person so offending is a servant his master or employer shall be subject to a like penalty.

I am directed to draw your immediate attention to the provisions of the above Act before taking such proceedings as the Postmaster-General may be advised to adopt for the protection of his rights and to ask for any reasons which you may have to offer why the penalties which have already been incurred by yourself and all concerned in this matter should not at once be enforced. An early answer is requested.

I am Sir
Your obedient servant,
(Signed) John Cay
Solicitor.

R. S. Symington Esq.
24 Oswald Street
Glasgow.

Messieurs Brown Dunlop and Lindsay to John Cay 19th October 1875.

Exhibit C.

Mr. Cay
General Post Office
Edinburgh.

Glasgow 19 October 1875.

Dear Sir

Your letter of 8th inst. addressed to Mr. Robert S. Symington telegraphic engineer here has been handed to us. The Postmaster-General has evidently been misinformed regarding the facts of the case as we have ascertained the facts and found that no breach of the Telegraph Act has been committed by the parties by whom Mr. Symington is employed. These parties employ Mr. Symington's company to erect *private* wires between their warehouses &c. and the Royal Exchange. They pay for the erection of the wire and it is their own private and exclusive property.

They contract to pay a certain annual sum for the maintenance of the wire instead of paying in detail for such repairs as may be necessary and they pay a clerk in the Royal Exchange to receive and transmit their own private messages. There is thus clearly no breach of the Act the first exception in section 5 of the Act covering the present case.

We are yours truly

(Signed) Brown Dunlop & Lindsay.

John Cay to Messieurs Brown Dunlop and Lindsay 21st October 1875.

Exhibit D.

10 Alva Street Edinburgh
October 21 1875.

Dear Sirs

I beg to acknowledge receipt of your letter of 19th instant which I have laid before the Postmaster-General to obtain his Lordship's instructions as regards further proceedings.

I understand from your letter that Mr. Symington intends to continue his operations as before but perhaps I may be allowed to point out that the telegrams sent over these wires are not within the exception you refer to (sec. 5. of Act of 1869) as it cannot be said that no charge is made in respect to their transmission. From Mr. Symington's printed handbill it appears that a certain charge is made for connecting the subscribers' offices with the Royal Exchange besides a yearly charge for maintenance and clerk's attendance.

The telegraph apparatus in question too cannot be called "a telegraph "maintained and used solely for private use and relating to the business "or private affairs of the owner thereof" all of the offices of the members being as it appears in connection with one another and in point of fact *public* messages have already been transmitted over Mr. Symington's wires and sent on over the postal telegraphs.

The preamble of the Act moreover explains that the exclusive privilege it confers on the Postmaster-General is similar to that given him by 1 Vic. cap. 33 which expressly prohibits (sec. 2) the *collection* of letters for the purpose of conveying them to their destination even in the case of such letters as are excepted from the general rule.

I remain dear Sirs

Yours truly

(Signed) John Cay.

Messrs. Brown Dunlop and Lindsay
87 West Regent Street
Glasgow.

[ATTACHMENT]

T. A. E. — with Compts
Col Gouraud

In the High Court of Justice.

EXCHEQUER DIVISION.
(QUEEN'S REMEMBRANCER'S OFFICE.)

THE ATTORNEY GENERAL

v.

THE EDISON TELEPHONE COMPANY OF LONDON LIMITED.

Affidavits filed on behalf of the Defendants.

WATERHOUSE & WINTERBOTHAM
1 New Court
Lincoln's Inn
Defendants' Solicitors.

Printers: Sir Joseph Causton and Sons, London.

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

A. R. BREWER, Sec'y. NORVIN GREEN, President.

Dated Cable 2/7 1880

Received at

To Edison
Menlo Park
Stop inspectors
Gouraud
London
Hof

Quaphone London
Quit M.C.
Have new clockwork
works much better than
ones sent have two
good inspectors shall send

READ THE NOTICE AT THE TOP.

~~Mentoprack~~

London

[illegible]

S.S. City of New York

6. Lombard Street, E.C.
London 11th Feb 1880

CABLE ADDRESS.
"GOURAUD, LONDON."

Thos A. Edison Esq
Menlo Park
New Jersey

My Dear Sir

I confirm dispatch to you of the following cable

"Stop Inspector"

At present I have no need of any more men for District Companies & therefore cable you as above

Yours truly

Geo. L. Gouraud
G.L.

S.S. City of New York

CABLE ADDRESS,
"GOURAUD, LONDON."

6. Lombard Street, E.C.
London 11th Feb 1880

Thos A. Edison
Menlo Park
New Jersey.

Notify NY Ofs of this

My Dear Sir

Registered cable address. I find that the London Company and Johnson sometimes cable you "Edison Menlopark" without signing their cables which clashes with my mode of cabling you. I shall therefore in the future cable you "Menlopark New Jersey" without signature. Please have this address registered at once as I shall proceed to use it immediately I learn you have received this letter

Yours truly
Geo. L. Gouraud
L.S.

S.S. City of New York

6. Lombard Street, E.C.

CABLE ADDRESS,
"GOURAUD, LONDON."

London 11th Feb 1880

Thos. A. Edison Esq
Menlo Park
New Jersey

My Dear Sir

I confirm receipt of following cable:—

"Cable one thousand pounds
"your account exceeded"

Not understanding what this meant I cabled you the word

"Explain"

but have up to the present heard nothing further from you.

Yours truly

Geo L Gouraud

file —

N.P. Cable Feb 17. 80
8 45 am

Edison
Menlo Park

Clockworks not Inspectors

5 London
#7

T. A. EDISON.

Menlo Park, N. J., Feby 17 1880

Thomas London

Annunciator goods and
500 Telephones gone forward
Bergmann bankrupt if dont
get money Drexels have
no information whatever

20 Menlo Park NJ
July 17, 80

3 10 pm

S.S. "Germanic"

Important.

CABLE ADDRESS.
"COURAUD, LONDON."

6. Lombard Street. E.C.
London February 18th 80

T. A. Edison. Esq.
Menlo Park.
New Jersey.

My dear Edison

During my temporary absence your cable came asking for ~~one~~ £1000 in consequence of my account being exceeded, and my secretary Mr Insull replied "Explain". It was impossible then for me to know whether this cable was intended for me or for the London Company owing to the form in which telegrams have come in the same name indifferently intended for either of us. I have been without any explanation of what it meant until today when Mr Johnson told me that he was present when the cable was sent and that it meant that your disbursements on account of the first 500 telephones ordered under your original agreement with the London Company had exceeded the $8000

which I advanced on this account. Of course I had no means of knowing this, as the amount of bills received from you up to date including all advances to men, payment for lathe and two switchboards only amounts to $4755.35, and therefore it was impossible for me to take your cable as referring to myself - However taking the whole 500 instruments at $14.50 (the rate at which they are being invoiced) the cost would be $8750
the two switchboards @ $152.50 = $ 305
Total $9055

I therefore cabled you thro' Drexels the round sum of £400, say $2000 which together with the $8000 already advanced makes my total advance for this account $10,000

We can adjust balance either way when all the 500 are delivered.

I am, my dear Edison
Yours truly,
[illegible]

Please hurry forward balance of 500 bills invoice as that I may close the a/c with the Company —

(Feb. 10. 1880)

Memorandum

The experience gained since the formation of the Company has undoubtedly strengthened belief in the greatness & ultimate value of Mr Edisons invention

The prospects however of the Company as a Dividend paying concern are so entirely different now from what they were when it was formed 6 months ago that if the future could have then been foreseen the arrangement then made would doubtless have been very different.

The following considerations have to be borne in mind in order to obtain a correct view of the altered situation;

1. The Company had to wait several months for instruments
2. Meanwhile the Rival Company whose competition it had been led to believe might be disregarded covered the country with its wires & with an instrument which as to its receiver is preferred by many to Mr Edisons
3. Infringements had to be confronted at once, but Mr Edisons Patents were discovered to be valueless till amended & though no time was lost by the Company 6 months necessarily elapsed after its formation before the Attorney-General's fiat for a Disclaimer was obtained
4. Though the Company is now in possession of a Patent which it is advised should be so construed as to enable it to claim all present

forms of carbon transmitters, it will inevitably take much time & involve a large expenditure before its rights can be enforced

5 The rival Company is meanwhile to a large extent in possession of the field

6 The hostile litigation of the Post Office which was regarded as unlikely when the Company was formed is involving not only large expenses, but seriously hampering the developement of the Company's business & this more particularly where its strength chiefly lies, i.e over long wires

The above considerations shew how great have been the obstacles with which the Company has had & (as to several) still has to contend. Had they been foreseen in July last it may safely be stated that the stipulations made on behalf of Mr Edison & conceded by the Company would have been very different.

In particular £25,000 the sum hitherto paid by way of advanced royalties would certainly have been regarded as more than enough for the whole of the United Kingdom, & Mr Edisons further interest would have been restricted to a reasonable share of profits after a fair percentage had been paid upon the capital risked & he would hardly have asked for a Royalty whether profits were made or no.

In July last it was believed that the Company would practically have a monopoly of telephonic business, & it was on this supposition that the arrangement then made was based.

It is still possible that such a monopoly may be in store for it as an independent Company - but if so it can only be after months or years of litigation & after a liberal expenditure in the developement of its business & the education of the public.

For these objects it is essential that steps should immediately be taken to bring in fresh capital in adequate amount, an amount which must be measured by the energy of the rival Company.

It is also essential if the Company is to maintain its character as one formed not with a view to success on the Stock Exchange but to the bona fide developement of Mr Edisons wonderful invention that the Capital should be subscribed by the existing shareholders, or others who may be fully informed of all the circumstances, & who can be depended on as loyal partners in the work.

But to tempt this fresh Capital the relations of the Company with Mr Edison require such readjustment as they would have received could the experience of the last 6 months have been foreseen when the Company was formed.

If this readjustment is brought about & the needful capital obtained, the Company will then be prepared for 2 courses, - either for amalgamation with its rival on fair terms (not otherwise to be obtained) - or for an independent existence. The latter alternative may be the more desirable of the two, if the Company be but enabled to maintain Mr Edisons rights until present difficulties have been met & overcome.

18 Feby. 80

Feb 19 80
3 25

Cable

Edison Menlo Park

Money tomorrow
Quesphone

S London
N Thg

Feby 19, 80

S Bergmann 100 Wooster St.
NY

~~[illegible]~~ From England promised
~~[illegible]~~ Money tomorrow
~~from England~~

Edison

SNA
3 40 pm
9 Ho

T. A. EDISON.

NP

Menlo Park, N. J., Feby. 19 1880

Cable

8 55 Am

Edison
Menlo Park N. J.

400 Cabled Drexel & is to
Cover Cost first 500 Telephones
Gouraud

14 Paris
16 5n

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms No 113.
11, Queen Victoria Street, E.C.

MANAGER & SECRETARY.
ARNOLD WHITE.

London Feby 19th 1880.

My Dr Edison

Upon my return I find a wholly different state of affairs from that existing when I went away - Not however in my Dept. That was doing well. Subscribers were coming in - and our list now looks formidable - Chalks continue to do well - Many of them put out before I went to America have never since been touched. In short everything is swimming so far as the practical work is concerned. In R. to the Patent fight too we are getting along, slowly true, but surely - The disclaimer was allowed - and we are now on good solid ground in that respect.

I have had several meetings with the Lawyers and now we are in receipt of Webster's Opinion that all the Carbon Transmitters ~~are~~ in use are infringements of our Patents. A Letter has been written to the Bell Company to that Effect, and a notice is today being prepared

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MANAGER & SECRETARY.
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for publication in the newspapers
- by Circular Etc Etc - Warning Every-
-body to desist - So far so good
but here comes the nigger.
The Bell Company have lately re-
-organized and have recieved an
enormous influx of capital - placing
a large amount of stock at 100% premium - With this Coup de fat
they have given us the cold shoulder
- withdrawn their proffer of the
Olive branch of amalgamation -
And defy us in the matter of the
Patent fight - They say they care
nothing for Patents now - they have
got the money - & they will thereby
be able to keep the fight on for
2 or 3 years - Meanwhile they intend
- are are - going ahead - right & left
Establishing themselves in a supreme
Commercial position - precisely
as they did in the US. -
Our own Lawyers - Webster &

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3 MANAGER & SECRETARY.
ARNOLD WHITE.

Waterhouse say that the processes through which we shall have to go in the Courts - are open to these delays - : Bouverie says that unless we can counteract this last movement by one similar in kind - the Continuation of the Patent is useless - for the simple reason, that ere it can be concluded we shall be swept from the field by the superior power of our opponents money - This is the condition of things as I find them on my return. Now for the remedy.

Bouverie Waterhouse & Gouraud had already been having some talk upon the question of a reconstruction of the whole question of the contracts with us - putting it upon some basis which would enable them to raise a large capital - so as to fight fire with fire. They contended that no further payment of advance Royalties was possible - that every Pound that could be

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raised would be required to increase
our plant - push the fight and
otherwise put ourselves in as good
trim as our opponents -
Of course Gouraud ridiculed the idea
saying it is simply impossible &c &c
As usual he now comes up with
a counter movement - saying he
can obtain all the requisite
money from the Stock Exchange
by organizing a company and
putting the Stock before the Public
- this is now his Pet Scheme - and as
the ideas of the company are matured
and expressed, his confidence (apparent)
in his own scheme increases -
Now none of the Gentlemen in this Co
will have ought to do with any Stock
jobbing movement - Consequently if
Gouraud goes into it - he will be
compelled to do so upon his own
territory & alone - this is simply
impossible - besides it would result

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in a divided Edison ~~Interest~~ —
and in my judgment prove about
as abortive and as fruitful of ill
Odors as his only other enterprise
the Glasgow Company —
~~The~~ ~~to~~ I have therefore expressed
to the Company your views in re to
all stock jobbing affairs — as well
as your wish that the Gentlemen
who have thus far liberally put
their hands in their pockets to
prosecute the work of planting you
in England — & who alone have
accomplished anything — already
having spent some 20 odd thousand
pounds — should have the reins —
and be given full ~~scope~~ for
Operations against both the P.O.
& our Opponents — I told Bourne
what you said in respect to
repayment, if they were dissatisfied
or thought you had treated them
badly etc = He expressed himself

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as very much gratified and said it simply confirmed him in the opinion he had already formed of you viz: That you were a high minded honourable man and would not countenance transactions not strictly straight forward &c &c. The question is now what shall be done to save the Edison Telephone from being overwhelmed – The answer is clear – Raise a large capital immediately and put forth our minions as numerous & as strong as our opponents – But upon what shall the capital be raised – Upon the present basis as to area of territory covered – or the terms of contract with you – all agree not another pound can be had – It is therefore clear that you must make important & valuable concessions – Waterhouse said to Bouverie – "I am willing

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if need be to lose every penny I have put in - but this is not in the same condition we fancied it - when we originally went in & asked our friends to risk their money - We then thought our Patents good - we thought our opponents had nothing but the magneto - and we did not anticipate a powerful opposition from Rival companies or from the Govt. - we are now face to face with these things - & in view of them I cannot ask my friends to put in another shilling It is therefore proposed to submit a proposition to Government immediately - looking to paying you a much additional amount of advance Royalties for all of the United Kingdom - say about 10,000 pounds - asking you to waive the 20% of the gross receipts - & substitute instead the following

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~~5%~~ When the Company shall have earned 5% on their Capital the Profits to be Equally divided with you -

The Co. to agree to prosecute the work of establishing the Edison Telephone upon a firm foundation with the utmost vigor -

To agree to prosecute the Patent fight until your Claim to all forms of Carbon Transmitters is Either completely established - or it is clearly demonstrated that it Cannot be sustained -

To agree that in the possible Event of Amalgamation the Edison Patents & Interests shall under no Circumstances be made subordinate Either in name - value - or position to any other - that any new Co. shall liquidate both the Edison & the Bell Co. - and buy up the Patents &c of both - the amount paid

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ARNOLD WHITE.

London 18

For the Edison not to be less than that paid for the Bell & Blake &c
The New Co - to be called Either
The Edison-Bell - The Bell-Edison
or The Edison Telephone Co -
Mr Bouverie to be the Chairman of
the New Co - in order to give a
still more distinctive Edisonian
Characteristic to the New Organization
In order to Equip the
thing at once for assuming
this position Mr Bouverie &
his associates to raise £10,000
pounds. working Capital from
their own & friends pockets -
No appeal to the Public to be
made
It is by Virtue of the Class
of men you have in this London
Co - that we have secured
Sir Wm Thomson John Tyndall
& others - Times & other Papers
&c &c - in our suits against

The Edison Telephone Company of London, Limited.
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.
MANAGER & SECRETARY.
ARNOLD WHITE.

London 18

to the P.O. - It will be by virtue of the Same ~~that~~ you will placed in a position Enviable in the extreme - if this new ~~tax~~ Arrangement is made -
If you go to the Stock Exchange for Money - You may expect all Such Men to avoid you -
Amalgamation is a Certainty
Are you to make it divided Against Yourself - or as a unit -
The answer is obvious -
The amount of money to accrue to you from Amalgamation will be anywhere from 40 to 50 000 pounds - Your ~~1/2~~ share in the Profits - will in such event - be substituted by a proportion of the Shares of the New Co - and a small royalty on each Such.
We are in possession of Middle information to the effect that The PO Crowd are convinced they

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.
London 18

MANAGER & SECRETARY.
ARNOLD WHITE.

Will have to buy us up -
this will be a second Turn
Now my Dear fellow - Gouraud
will unquestionably seek to
spoil all this - I feel strongly
the responsibility resting on me -
But I am compelled by virtue
of the ~~[illegible]~~ absolute necessity
for prompt action to commit
you one way or the other - I
choose that which lies in the
path of honour & liberality
- You of course see that it
affects my pocket equally with
yours - & it is useless for me
to say that I choose it because
it points to the satisfaction
of my pride as well as yours in
seeing the Edison Telephone take
its rightful position -
The Glasgow 5000 has not been
paid - & won't be unless the
London Co. assume it - they

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.

MANAGER & SECRETARY.
ARNOLD WHITE.

London 18

I agree to do so. in case of a Reorganization upon this basis — This saves you some considerable annoyance — as otherwise it is very probable they would not only not pay up — but would bring suit against you for repayment of the other 500 £

As soon as you get this Telegraph as follows —

Quetphone London

Borrowing Phones basis will be approved — Edison

I have been so busy in this Matter have not even taken your lamps out of the Box — I'll attend to that later

Hastily Yours

E. H. Johnson

THE EDISON TELEPHONE COMPANY OF LONDON,

LIMITED.

Head Office—11, Queen Victoria Street, London, E.C.

DIRECTORS.

THE RIGHT HON. E. P. BOUVERIE, *Chairman.*

VISCOUNT ANSON.
WILLIAM FOWLER, Esq.
COLONEL GOURAUD.
SIR PHILIP WODEHOUSE, K.C.B.

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ASSISTANT SECRETARY.

LIEUTENANT-COLONEL GODFREY TWISS, R.A.

CENTRAL EXCHANGE:

11, QUEEN VICTORIA STREET.

BRANCH CITY EXCHANGES:

77, CORNHILL,

34, EASTCHEAP,

LONSDALE CHAMBERS, CHANCERY LANE.

BRANCH LONDON EXCHANGES

ABOUT TO BE OPENED:

HOLBORN VIADUCT,

WESTMINSTER,

PALL MALL,

SOUTHWARK,

ALDERSGATE STREET,

REGENT STREET,

PADDINGTON.

PARTICULARS.

THE Company are ready to supply the public with telephonic communication on the terms mentioned below, either in connection with the Exchanges now being formed, or with private wires. The Company guarantee both the efficiency of the instruments and the maintenance of the wires.

The Telephones supplied by the Company are the sole invention of Mr. T. A. EDISON, to whose discovery of the applicability of carbon for Telephonic purposes the commercial world is indebted for the practical utility of the Telephone, and without the aid of which no Telephone yet invented can be effectively used under the conditions commonly existing in large commercial centres.

This fact is affirmed by the statement of American Telephone authorities, who assert that "nearly all the transmitting (talking) Telephones are supplied with some form or other of *Carbon* transmitters." There are now some 40,000 in use in the United States.

The Patents of Mr. EDISON have been assigned to this Company.

The conspicuous superiority of the Edison Telephone is due to two causes.

1st. The strength of the electric current.

2nd. The fact that the electric force is not depended on to *perform the work* of vibrating the disk of the reproducing instrument, as in all other Telephones; but simply to *control* a mechanical force locally applied, thus giving it greater compass, more nearly approximating to that of the human voice than any Telephone yet invented.

As a necessary consequence the Edison instrument—

A. Will talk over greater distances.

B. Will largely neutralize the opposing inductive currents due to underground or adjacent telegraph wires.

These two facts have been amply demonstrated in America, and officially stated by the Western Union Telegraph Company, over whose lines, from New York to Philadelphia, 90 miles (on poles with some 40 to 50 telegraph wires) a competitive test was arranged between the Edison instrument and six others. *With the Edison Telephone conversation was readily carried on, while no one of the others would utter a word.*

From the second cause a louder voice is reproduced at the listening end—thus overcoming any local noises—as well as enabling the listener the more readily to discriminate between *Talking* and the *Inductive* effects; beside compensating for possible defects of hearing on the part of the listener.

To quote from the *Times* of the 8th September, 1879:—

"Loud-speaking this Telephone certainly is, but it is none the less soft-speaking also, for conversations were carried on between two parties in whispers, and although a low hissing sound was perceptible to the bystanders, they were unable to catch the words of the speaker at the distant station. On the other hand, words spoken in a loud tone were audible even at times above the hum of conversation."

Rates:—EXCHANGE SYSTEM, per Subscriber, within the half-mile radius, £12 per annum, inclusive of all charges.

Lists of Exchange Subscribers will be sent on application to the Manager.

PRIVATE WIRES: per set of instruments, £12 per annum, in addition to the cost of wire, viz., £7 per mile per annum.

The minimum charge for Private Wires in all cases is for half a mile, advancing beyond that distance by quarter miles; any less distance than a quarter mile being charged as a quarter mile.

For all further particulars address—

THE MANAGER,
11, Queen Victoria Street.

LIST OF SUBSCRIBERS.

Abbott, Wm.	10, Tokenhouse Yard, E.C.
Adelaide Marine Assurance Company...	2, St. Michael's House, Cornhill.
"Agricoles" Fire Insurance Co. of Paris	45, 46 and 47, Cornhill, E.C.
Allan Line, The	16, Philpot Lane, E.C.
Allen & Hanbury	Plough Court, Lombard Street, E.C.
Allnutt, Jno., & Co.	50, Mark Lane, E.C.
Anchor Line of Steamers, The	19, Leadenhall Street, E.C.
Anderson, A. & Co.	30, Throgmorton Street, E.C.
Anderson, Weber & Smith	9, Mincing Lane, E.C.
Australian and New Zealand Underwriters' Association	34, Leadenhall Street, E.C.
Australian Lloyds	2, St. Michael's House, Cornhill, E.C.
Baltic, The	Threadneedle Street, E.C.
"Berlin Cologne" Fire Insurance Co. of Berlin	45, 46 and 47, Cornhill, E.C.
Birch & Archer	8½, Angel Court, Throgmorton Street.
Blades, East & Blades	11, Abchurch Lane, E.C.
Blake & Goodyear, Limited	1, Worship Street, Finsbury, E.C.
Bolling & Lowe	2, Laurence Pountney Hill.
Bosanquet, Curtis & Co.	23, Rood Lane, E.C.
Bouverie, The Right Hon. E. P. ...	17, Moorgate Street, E.C.
Bowley & Bristow	34, Leadenhall Street, E.C.
Brandt's Sons & Co., Wm.	144, Leadenhall Street, E.C.
Brooks' Wharf	Upper Thames Street, E.C.
Burroughs, S. M. & Co.	Snow Hill, Holborn Viaduct, E.C.
Carter, H. & A.	1A, Laurence Pountney Hill, E.C.
Causton, Sir J., & Sons...	47, Eastcheap, E.C.
City Carlton Club	St. Swithin's Lane, E.C.
City Liberal Club	Walbrook, E.C.
Clark, Chas., & Co.	Windsor Chambers, Great St. Helen's, E.C.
Clift, Frederick, LL.D.	111, Cheapside, E.C., and Church Road, Upper Norwood, S.E.
Colonial Company, The	16, Leadenhall Street, E.C.
Commercial Marine Assurance Company	2, St. Michael's House, Cornhill, E.C.
Commercial Sale Rooms	30-34, Mincing Lane, E.C.
Commercial Union Assurance Company	19 & 20, Cornhill, E.C.
Coubro', Wm.	29, Threadneedle Street, E.C.
Coubro' & Potter	18, Billiter Street, E.C.
Council of the Corporation of Foreign Bondholders, The	17, Moorgate Street, E.C.
Courtenay, J. Irving	7, Great Winchester Street Buildings, E.C.
Crown Perfumery Co.	97, Cheapside, E.C.
De Bernales & Co.	45, 46 and 47, Cornhill, E.C.
Dennis & Dennis...	101, Leadenhall Street, E.C.
Dennis, W. F.	101, Leadenhall Street, E.C.
Denver and Rio Grande Railway Company	2, Suffolk Lane, Cannon Street, E.C.

Eaton, Richard Henry	75, Old Broad Street, E.C.
Eives & Allen	61, King William Street, E.C.
Equitable Life Association of the United States	1, Prince's Street, E.C.
Fanning, W. & Co.	23, Old Broad Street, E.C.
Finlay, Campbell & Co.	62 and 63, Cornhill, E.C.
Flint, J. H.	112, Fenchurch Street, E.C.
Forwood, Brothers & Co.	60, Gracechurch Street, E.C.
Francklyn, R.	16, Philpot Lane, E.C.
Gavin, Birt & Co.	27, Leadenhall Street, E.C.
Gee, Walter, ...	10 and 12, John Street, Adelphi.
Gordon (Panmure) & Company ...	Hatton Court, Threadneedle Street, E.C.
Gouraud, G. E.	6, Lombard Street, E.C., & "Binswood," Beulah Hill, Upper Norwood.
Goundry & Co.	181, Upper Thames Street, E.C.
Grant, Chambers & Co.	37, Fenchurch Street, E.C.
Gresham Club, The	Gresham Place, King William Street, E.C.
Griffiths, N. Tate & Co.	7, Fenchurch Street, E.C.
Grocers' Society, The	11, Queen Victoria Street, E.C., and 44, Upper East Smithfield, E.
Hammond & Co.	27, Martin's Lane, E.C.
Harris & Dixon	81, Gracechurch Street, E.C.
Harvey, Chas. H.	11, Queen Victoria Street, E.C.
Heckscher & Pearson	8, Finch Lane, E.C.
Henderson Brothers	19, Leadenhall Street, E.C.
Hollway Bros.	Jeffry's Square.
Holwell, L. & C.	18, Walbrook, E.C.
Howards & Sons	Plough Court, E.C., and City Mills, Stratford, E.
Hutchinson, A. & Co.	3 & 4, Great Winchester Street, E.C.
Hyatt, Parker & Co.	4, Moorgate Street Chambers, E.C.
Ingall & Sons, W. T. F. M.	50, Threadneedle Street, E.C.
Inman Steamship Company	61, King William Street.
James & Shakespeare	10, Austin Friars, E.C.
Jones, R. G., Price & Co.	1, Church Court, Clement's Lane, E.C.
Judd & Co.	St. Andrew's Hill, Doctors' Commons, E.C.
Keith, Prowse & Co.	48, Cheapside, E.C.
Kingsbury & Co.	George Yard, Lombard Street, E.C.
Langridge & Co., Henry	16, Great St. Helen's, E.C.
Levick & Co., F.	80, Cornhill, E.C.
Liverpool & London & Globe Insurance Company	7 & 8, Cornhill, E.C.
"Lloyds"	Royal Exchange.
Lloyd & Lloyd	4, Cloak Lane.
Lloyd, A. & Sons	22, Bush Lane.

London Co-operative Wine Association.	10 & 12, John Street, Adelphi.
London Banking Association, Limited.	57, Old Broad Street, E.C.
Low, Huckvale & Co.	4, Billiter Street, E.C.
Lyons Granary	Upper Thames Street, E.C.
Macnaghten & Stapleton	3, Mincing Lane.
Marcus & Co.	59, Mark Lane.
McCall, John & Co.	137, Houndsditch, E.C.
McEwan, Jas. & Co.	27, Lombard Street.
McIlwraith, McEacharn & Co.... ...	34, Leadenhall Street, E.C.
Mercantile Trust Company of New York	6, Lombard Street, E.C.
Metropolitan Wharf	Wapping Wall, E.
Miller & Halls'	Hibernia Chambers, London Bridge, S.E.
Moore, Henry R.	Exchange Chambers, Change Alley.
Naylor, Benzon & Co.	34, Old Broad Street, E.C.
"New York Herald" Offices	46, Fleet Street, E.C.
New Zealand Insurance Company ...	34, Leadenhall Street, E.C.
Oriental Tea Agency	3, Mincing Lane.
Pacific Mail Steamship Company ...	Windsor Chambers, Gt. St. Helen's, E.C.
Paris Underwriting Association ...	45, 46 & 47, Cornhill, E.C.
Parrish, Dillwyn	2, Copthall Buildings, E.C.
Peruvian Guano Company (Limited)...	57, Old Broad Street, E.C.
Potter, John & Co.	15, Great St. Helen's, E.C.
Potter Bros.	18, Billiter Street.
Powers, E. F.	35, Queen Victoria Street, E.C.
Price, Waterhouse & Co.	44, Gresham Street, E.C.
Puleston, Brown & Co.	2, Bank Buildings, E.C.
Pullman European Car Association ...	57, Old Broad Street, E.C.
Pusey & Co.	35, Queen Victoria Street, E.C.
Renshaw, Walter	5, Stone Buildings, Lincoln's Inn, W.C.
Renshaw & Renshaw	2, Suffolk Lane, Cannon Street, E.C.
Richardson, W. W. & G.	3, Lombard Court, E.C.
Rollins, John G. & Co.	Old Swan Wharf, Upper Thames St., E.C.
Ross, Geo. & Co.	80, Cornhill, E.C.
Rubeck, Hermann	14, Mincing Lane.
Sanders Brothers	25, Abchurch Lane.
Scott, S. R. & Co.	75, Old Broad Street, E.C.
Scrutton & Campbell	114, Fenchurch Street, E.C.
Scrutton, Sons & Co.	9, Gracechurch Street, E.C.
Scrutton & Son	81, Old Broad Street, E.C.
Sharp's & Wilkins	18, Great Winchester Street, E.C.
Shepheard & Sons	32, Finsbury Circus.
Spicer Bros.	19, New Bridge Street, E.C.
Staples, Henry	4, Royal Exchange Avenue.
Straker Brothers & Co.	35, Camomile Street.
Street & Co., Geo.	30, Cornhill, E.C., and 5, Serle Street, Lincoln's Inn Fields, W.C.
Street Brothers	5, Serle Street, Lincoln's Inn Fields, W.C., and 30, Cornhill.
Stuart, Bros. & Co.	11, Queen Victoria Street, E.C.
Stuart, J. M.	Beulah Hill, Norwood.

Taylor, Bethell & Roberts	110, Fenchurch Street, E.C.
Thomson, Wm. S. & Co.	97, Cheapside. E.C.
Thurber, H. K. & F. B., & Co.	115-117, Cannon Street. E.C.
Turner, Brightman & Co.	15, Great St. Helen's, E.C.
Vivian, Younger & Bond	117, Leadenhall Street, E.C.
Waikato Land Association, Limited ...	34, Leadenhall Street, E.C.
Ward, H. S. & Co.	58, Holborn Viaduct, E.C.
Warner, Robert	Brooks' Wharf, 48, Upper Thames Street, E.C.
Waterhouse & Winterbotham	1, New Court, Carey Street, W.C.
Waterlow & Sons, Limited	Great Winchester Street. E.C.
Watson, Edw.	108, Bishopsgate Street.
Webb, Walter	23, Queen Victoria Street.
Wells, Fargo & Co.	61, King William Street, E.C.
Wigner, G. W.	79, Great Tower Street, E.C.
Withers, J.	1, Shorter's Court, E.C.
Whitely & Co.	40, Chancery Lane, W.C.
White, Arnold	11, Queen Victoria Street. E.C.
Wynne & Son	46, Lincoln's Inn Fields.
Young, J. Russell	46, Fleet Street, E.C.

In addition to those annexed, more than thirty laudatory descriptions appearing in the principal London and Provincial Newspapers, can be inspected at the Company's Head Offices.

THE TELEPHONE SETTLEMENT IN AMERICA

As a paragraph from a local American paper is being largely circulated with the view of suggesting that the "Telephone Settlement" has ended in the extinction of all other forms of Telephone than that of Professor Bell, it is considered right to set forth the true facts of the case.

The legal contest between the rival companies in America was based by the Western Union Company upon the claims of Elisha Gray of Chicago, who set up the claim of priority of invention of the *Magneto Telephone*. Naturally this claim could not be sustained and a compromise and amalgamation were the result. There is no such contest between Mr. EDISON and Professor Bell. Mr. EDISON freely accords to Professor Bell priority of invention of the *Magneto Telephone*, and Professor Bell as cheerfully accords to Mr. EDISON priority of invention of his Carbon transmitter. Both are secured by Letters Patent in Great Britain.

Reprinted from "THE TIMES," November 10th, 1879.

THE EDISON TELEPHONE.

"TO THE EDITOR OF THE TIMES,

"Sir,—On the 10th of May last, in a leading article on the subject of the Edison Telephone, you published a description of the means by which a resident in the country might communicate with his office in town, transact his business, dictate letters, and do all that which can be accomplished by a personal interview.

"The Edison Telephone has to-day fulfilled this prediction, in the most practical manner. With a wire passing through the Exchange system of this company, and conveyed for 10 or 12 miles of the way on poles with many other wires, conversation was carried on with as much facility over a distance of 15 miles as though from room to room.

"It will be difficult to convey to your readers a more graphic description of what can be done with the Edison Telephone than by shortly recounting what has actually been accomplished to-day. A gentleman, with whose house the Edison Telephone Exchange has been placed in connexion, was enjoying a day's hunting. At the time he left home the Telephone had not been fixed in position, although the wire had been run. During his absence the work was completed, and on his return important letters were read to him, to which replies were dictated. A conference with his solicitors being necessary, the operator at the Central Exchange connected him in the manner already described in your columns. An important telegram from New York was received, and a reply dictated in time to reach New York three hours after the first message was despatched from America. The principal portion of a day's work in town was thus compressed into half an hour's occupation in a library.

"It must be borne in mind that what has to-day been accomplished is no laboratory experiment. The conditions involved were the conditions of ordinary life.

"I am, Sir, your obedient servant,

"ARNOLD WHITE, Manager.

"Edison Telephone Company of London (Limited),

"11, Queen Victoria-street, E.C., Nov. 8."

"THE DAILY NEWS," *Friday, January 9th*, 1880.

BRIGHTON.

"A practical trial of the comparative merits of the EDISON system of telephonic communication and the ordinary telegraph is being made here by Messrs. Butt & Sons, timber merchants, whose offices in Brighton and Littlehampton are connected by both means, the telegraph used being a private wire hired as usual from the Government, and worked by the A B C code. The results up to the present have been decidedly in favour of the telephone. The distance of the circuit is 22 miles, being one of the longest, if not the longest, that has yet been provided in England by the Edison Company, and in every respect the instruments have more than answered everything required of them. The facilities they afford for direct and instantaneous communication, as contrasted with the tedious process of the alphabetical code of the telegraph are obviously a great feature in favour of the Telephone; but it has also been demonstrated by actual experiment that the telephone can be worked advantageously under circumstances which proved exceedingly detrimental to the telegraph. Advantage was taken of the recent heavy thunderstorm which passed over Brighton to test this point, and both means of communication were used when the electral disturbance was at its height. The result was that it was ascertained that the telegraphic current was so weak as to materially affect the value of the instrument, whilst on the other hand the telephone did its work with unimpaired efficiency, the messages exchanged being heard to as much advantage as under favourable atmospheric conditions. The value of this test was enhanced by the fact that the same wire was used for both telephone and telegraph, the instruments being switched off and on the connecting wires alternately. Under ordinary conditions the telephone has also proved a successful competitor with the telegraph, the instrument delivering its messages with clearness and audibility notwithstanding the distance. The apparatus used is EDISON'S loud-speaking telephone, by which the sounds transmitted are audible by more than one person at the receiving end, and which also has the advantage of enabling those who use it to receive and send messages without changing the position of the head or of the instrument, the mouthpiece being at right angles with the receiving end, which thus comes into the best position for messages to be heard."

CAUTION.

It having come to the knowledge of the Directors of the Edison Telephone Company of London, Limited, that Telephone Transmitters are being made and supplied in this country, which are direct infringements of the Patent rights vested in the Company (by Letters Patent granted to Thomas Alva Edison, dated 30th day of July, 1877, No. 2909, as amended by disclaimer, filed the 10th day of February, 1880), all persons are **cautioned against Manufacturing any Carbon Telephone Transmitters, and against selling, supplying, or using any Carbon Telephone Transmitters manufactured subsequently to the said 10th day of February, 1880,** unless such Transmitters have been supplied by the Edison Telephone Company of London, Limited, or their Licencees. All Telephones supplied by the Edison Telephone Company of London, Limited, bear the words "Edison Telephone Transmitter, patented 30th day of July, 1877," and a distinctive number.

Proceedings will be taken in respect to the manufacture subsequent to the said 10th day of February, 1880, of Carbon Transmitters which are infringements of the above Letters Patent, and in respect to the sale, supply, or use of any such Carbon Telephone Transmitters unless manufactured prior to that date, and in respect of any other infringements of the Patent rights of the Edison Telephone Company of London, Limited.

By order of the Board,

ARNOLD WHITE,
Manager and Secretary.

11, Queen Victoria Street,
London, E.C.,
20*th February*, 1880.

The Edison Telephone Company of London Limited.
Mansion House Chambers
Rooms No. 113.
11, Queen Victoria Street E.C.
MANAGER & SECRETARY.
ARNOLD WHITE.

London July 21 1880

My Dr. Edison

I enclose a copy of Waterhouses view of the situation which was written before Bouverie White & I formulated the scheme just sent you in my letter. You will see that Mr Bouverie takes a more liberal view of your rights than his legal advisers. In fact you can as safely depend upon his doing the right & proper thing for you - as for the Company -

Bouverie has just come to me in re to amalgamation - It now looks as if the negotiations would be closed by Wednesday next - hence the necessity for my acting for you. Ere you can be consulted by letter I will however before closing things get your telegraphic approval

Yours truly
E. H. Johnson

1 Cable

Edison
Menlo Park

Disclaimer allowed
4 London Feby 4th 80
842 AM

From WATERHOUSE & WINTERBOTHAM.
Solicitors.

1, NEW COURT,
CAREY STREET,
LINCOLNS INN, W.C.

Feb.y 21. 1880

My dear Sir,

Your telephone patents.

I was much gratified at the receipt of your letter of the 28th. ult. handed to me by Mr. E.H. Johnson on his return from America, & beg to thank you for the kind expressions

contained in it.

I will have heard ere this reaches you that the Disclaimer has at length been obtained for your Patent of 1877, & we are now in a position to take action against future infringers.

I beg to enclose a copy of the Case which we submitted to Mr. Webster Q.C., (one of our first patent lawyers) as to the scope of the claim we now make, & of his opinion thereon.

Any observations which may occur to you after reading what Mr. Webster says will of course receive most careful consideration here. Believe me

yours very truly

Thos. A. Edison

Thos. A. Edison
Menlo Park
New Jersey U.S.A.

[ENCLOSURE]

Eng Tel
[illegible] inside

Transmitters of Telephones

Copy
Case and Opinion
of
Mr Webster 26.

Waterhouse & Winterbotham
1 New Court
Lincolns Inn.

Carbon Transmitters
of Telephones

Case
for the Opinion of Mr Webster
Q.C. on behalf of the Edison Telephone
Company of London Limited

Left herewith are

1 – A Blue Book of the Specification to Edison's Patent No 2909 77 as amended by Disclaimer

2 – A Blue Book of the Specification to Hunning's Patent No 3647 78

3 – A Blue Book of the Specification to Crossley's Patent No 412 79

4 – A paper by Professor Hughes read before the Royal Society May 9th 1878 see p.p. 366, 377 and 378

The Opinion of Counsel is requested as to the construction of the 2nd Claim under Edison's said Patent in connection with certain parts hereinafter referred to of the Specification as amended by Disclaimer and also as to the bearing of the same upon the use of modified constructions of Carbon transmitters of which Hunnings (Patent No 3647 78) and Crossley's Patent (No 412 79) may be taken as types.

The portions of the Specifications of Edison's patent to which Counsel's attention is more particularly directed are the following viz:—

p.6. lines 4 to 8 "In some

p.6 lines 31 to 34 "In some

Claim 2 as amended by Disclaimer reads —

1

[ENCLOSURE]

thus

Second - In an &c (Get a correct copy) *

Counsel is requested to advise whether the portions of the Specification referred to are to be construed as limiting the Invention to the specific devices described or whether they cover the general principle of varying the resistance of the circuit by varying the degree of intimacy of contact of contiguous points or surfaces and thus include other Carbon transmitters of which Hunning's and Crossley's may be taken as types

Hunning's Carbon transmitter (Specification No. 3647 78/. consists of powdered carbon in a loose and free state enclosed in the case of the instrument between a diaphragm and a metal disc. It is obvious that under the impact of the sound waves upon the diaphragm a greater or less number of the points or particles of the loose powder are brought into contact and the resistance of the circuit is thereby varied

Crossley's Carbon Transmitter (Specification No. 412 79/. consists of a number of microphones arranged in combination upon a diaphragm. Four is the number shewn in the example illustrated the same consisting of four carbon blocks with four carbon pencils or four metal blades tipped with carbon arranged one between each two blocks so as to form contact with them, the blocks being carried upon the diaphragm

Counsel's attention is directed to the extract from a paper by Professor Hughes read before the Royal Society May 9th 1878 in which Professor Hughes explains the action of the Microphone in terms similar to those previously employed by Mr Edison

* The second claim was struck thus:
"In an instrument for transmitting electric impulses by sound the combination
"with a diaphragm or equivalent of electric pressure regulator substantially as
"hereinbefore described for varying the resistance in a closed circuit substantially
"as set forth."

[ENCLOSURE]

in describing his Transmitter in the Specification to his Patent No. 2909/77.

From the explanation it would appear that the Crossley Microphonic Transmitter also operates by varying the degree of intimacy of contact of contiguous points or surfaces

The Opinion of Counsel is therefore requested upon the following point

> Is the 2nd Claim under Edison's Patent No. 2909/77. taken in connection with the portions of the Specification referred to, to be construed as limiting the Invention covered by the said Patent to the particular devices described in the Specification or on the contrary can it be fairly held to include all devices operating upon the principles enunciated and in particular such examples as Hunnings Transmitter as described in Specification No. 3647/78. and Crossley's Transmitter as described in Specification No. 412/79.

(Opinion over)

[ENCLOSURE]

Opinion

I have most carefully considered the points ~~the~~ points that arise in this case and in my judgment the second claim of Mr. Edison's Patent No. 2909 of 1877 should be construed to include Hummings, Coplen's and Blake's transmitter. As to whether it covers all devices operating upon the principles enunciated is too wide a question but I will indicate shortly what in my opinion are the limits and what the extent of the claim

The question depends almost entirely upon the state of knowledge at the date of the Patent. I assume for the purposes of my opinion that the specification is sufficient and that no objection can now be taken to the patent as disclaimed on the face of the specification. As I understand, prior to the discoveries of Mr. Graham Bell, Mr. Gray and Mr. Edison in connection with telephones, the transmission of an electric signal by increasing or diminishing the amount of resistance in the circuit was unknown. Automatic variation of resistance had been employed in connection with duplex telegraphy but for purposes wholly different from those with which I have now to deal. This point is not essential but it is of importance to meet a possible argument that Mr. Edison was only applying to telephonic speech a well known method of telegraphic signalling

It must further be conceded that prior to Mr. Edison's patent the principle of the variation of the resistance of the circuit had been applied to telephones by the employment of a semi conducting fluid medium. It is stated and upon the instructions before me I assume it to be the fact that prior to Mr. Edison's patent the automatic variation of resistance by a greater or less degree of surface contact had never been enunciated and certainly had never been applied to telephones. After much consideration it seems to me that under these circumstances Mr. Edison did enunciate a new principle and for the first time applied that principle practically in a new manner

producing a new and beneficial result and that he is entitled to claim all applications of the same principle to telephones at any rate where it is carried into effect by analogous means. It may and no doubt will be suggested that the provisional specification does not enunciate nor does the final specification describe clearly the supposed principle, and no doubt these are objections that will require to be met, but in my judgment they should be answered favourably to Mr Edison.

Turning now to the particular examples submitted to me, viz: Hunning's, Blake's and Crosby's, it seems to me that as regards Blake's the alteration of resistance is undoubtedly affected by the degree of intimacy of surface contact, and moreover as I am informed one of the drawings of Mr Edison's specification describes a transmitter in all its main features identical with the Blake's. As regards Hunning's it may be suggested that the original device of Clérac to obtain any given amount of resistance by varying the amount of pressure between the particles of carbon enclosed in a tube either prevents Mr Edison from alleging that Hunning's combination is covered by his patent of '77 or if it is included renders the patent bad. If however I am correct in the view I take of Edison's specification this argument would fail, because Clérac's arrangement was for an entirely different purpose and with a different object and apart from any such suggestion I think it must be admitted that Hunning's transmitter is an infringement of Edison's.

Lastly with regard to Crosby's. I confess I feel more difficulty partly because the combination of parts is so different to the eye and partly because there have already been from time to time questions raised as to the difference and the identity of the two combinations and of the principles governing them. I am however at present satisfied that the views submitted by Mr Johnson in conference are correct and that the microphone

[ENCLOSURE]

operates by the degree of intimacy of surface contact. For the above reasons I am of opinion that the Blake Hunning and Crosley transmitters are infringements of Mr Edison's patent.

With regard to the form of the second claim as amended by disclaimer I think I should add that in my opinion any other form of words would have seriously endangered the validity of the patent.

R. E. Webster.
2 Pump Court
Temple

13 Feb: '80

P.S.

In the event of it being necessary to take proceedings I should advise that in the first instance they are taken against the persons using the Blake transmitter and not against persons using Crosleys or Hunnings for reasons which I can explain if necessary.

R.E.W.

The Edison Telephone Company of London Limited.
Mansion House Chambers
Rooms No. 113.
11, Queen Victoria Street, E.C.
London 18 8 1882

MANAGER & SECRETARY.
ARNOLD WHITE.

My Dr Edison

At a Board meeting just adjourned the crisis was reached with Gouraud - after it - he called me out & demanded explanations I simply said I was carrying out what I knew to be your wishes viz: To make the thing a unit & put it in ~~fitch~~ shape that its success was assured He went for me, but I told him my loyalty was to you & your invention not to him - We parted "it may be forever" Tomorrow Bouverie will forward him a letter, which he has in advance declined to answer, or to forward to you - B will wait a sufficient time then if no reply is had, will forward a telegraphic proposition to you -

Gouraud told the Board

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MANAGER & SECRETARY.
ARNOLD WHITE.

London 18

today he had an irrevocable power of attorney from you. Bouverie told him if such were the fact the Laws of England would not recognize it. G. then said that he could not be set aside even by you. & that if you sought to act independent of him he would defy you &c &c. You can safely leave that to us. ~~In the~~ G. You were not satisfied with his grasping disposition ~~that~~ you wanted the thing to go into the race un-handicapped. I haven't time to write more now ~~to catch this~~ Mail. You must simply keep me empowered. Forward the papers ~~sent by~~ today's Mail as promptly as possible.

Hastily Yours

E. A. Johnson

London Feb 21, 80
E. H. Johnson

General.

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms No 113.
11 Queen Victoria Street, E.C.

MANAGER & SECRETARY.
ARNOLD WHITE.

London Feb. 24th 78 80.

T. A. Edison Esq.
Menlo Park.
N. J.

Dear Sir,

With reference to your telegram of the 22nd January, with regard to Mr Bergmann's shipment, I beg to inform you that £1000 were remitted to you on Friday through Messrs Drexel Morgan & Co for payment to Mr Bergmann of instrument construction account.

I shall be glad if you will sign the enclosed receipt and return to me at your early convenience.

I am,
Dear Sir
Yours faithfully
Arnold White
Manager.

G.Z.
Enclosure.

July 25, 80
2 30 Pm

Calle

Thomas Menlo Park

Sent statement instrument
accounts to date

London Roy

Feby 25.88

Quesphone
to
Edison

The Edison Telephone Company of London Limited.
Mansion House Chambers.
Rooms No. 113.
11 Queen Victoria Street E.C.
MANAGER & SECRETARY.
ARNOLD WHITE.

London Feby 25 1880

Copy.

Col Geo E Gouraud
Dr Col.

A proposition looking to the consolidation of the Edison Telephone interests in Great Britain under the control of the London Company will shortly be laid before you. You will do well to give it careful and favorable consideration as I have reason to know it will be acceptable to Mr Edison who as you well know is antagonistic to the principle of jeopardizing success for the sake of possible high stakes. Remember Riffs fate and take the advice of one who knows Edison and his wishes and make such disposition of one thing as will ensure his approval and an extension of your representative functions. I am not writing this without

Either careful consideration or foundation in respect to Edisons views

Very truly yours

E. H. Johnson

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms No. 113.
11 Queen Victoria Street, E.C.
MANAGER & SECRETARY.
ARNOLD WHITE.

London 26th Feb 1880

Thomas A. Edison Esq
Menlo Park
U. S. A.

Dear Sir,

I beg to express to you my sincere thanks for the letter you were good enough to address to me by the hands of Mr Johnson. The honour of a direct communication from you would stimulate me, if there were room for stimulation, in my efforts in connection with this Company. There are great difficulties with which to contend, and the unscrupulous hatred of bad men is not the least of them. But in the hands of Mr Bonvine and Mr Johnson I feel clear that your name and your invention will triumph over any efforts to traduce the one and crush the other. I remain, Dear Sir,

Your faithful Servant

Arnold White

General.

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms No. 113.
11 Queen Victoria Street E.C.

MANAGER & SECRETARY.
ARNOLD WHITE.

London Feb. 16th 1880.

T. A. Edison Esq.
Menlo Park.
N. York

Dear Sir.

I beg leave to enclose copy of a telegram sent to you last night. As Mr Johnson will probably explain to you the purpose in view when this telegram was despatched. I need only explain that the Company desire to know whether they are liable to you or to Colonel Gouraud in respect to the 500 telephones under clause 18.

I am Dear Sir
Yours faithfully
Arnold White
Manager & Secretary

G.T.
Enclosure

The Edison Telephone Company of London Limited.
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Rooms No. 113.
11, Queen Victoria Street, E.C.

MANAGER & SECRETARY.
ARNOLD WHITE.

London Feby 27 1880

My Dr Edison

Since writing to you Events have moved forward a few pegs.
It was my desire that the Company should deal with & through Col Gouraud - So a meeting was called - and I was invited to attend.
The subject of a reconstruction of the contract with you was brought up - Gouraud took the proposition of the London Company; & after an examination pronounced it preposterous & only fit to be torn up &c &c = I then went down to Glasgow, & there found a most deplorable state of affairs - that Co. were sitting on their haunches nursing their grievances against your representative & meditating whether or no they should at once bring suit against him for the recovery of the 500£

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With an additional Claim for obtaining money under false pretences - As this suit could only be brought against your name - I took occasion to point out to Moore who is the American through whom Co. organized the Company - that such a course would damage you - an entirely innocent party more than Yourself - and that I was acting for you in connection with the London Co - to bring about a better arrangement, which was to include the Glasgow Co as originally organized - 10,000 £ advance Royalties paid - & which would result in relieving them of all responsibility &c &c. I got the promise of himself & his associates that they would do nothing to stir the matter up, but would

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London 18

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abide my time - This I reported to the London Co - Bouverie & Waterhouse both agree that the Glasgow Co should be taken into the general Co - and its obligations assumed - & given additional 5.000 £ paid.

Now on my return a second meeting was called - regular Board - & I was invited again to be present. Before its session I wrote the enclosed letter to Gournand - he had it in his hands at the Board - but it did not seem to have any effect on him. Therefore when Mr Bouverie introduced the subject & urged the absolute necessity for prompt action, in order that the Amalgamation negotiations - rapidly approaching a favourable issue - could be advantageously met. He (G.) demanded of the

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London 18

Co - that they should first exercise
their Option of paying 40,000 £
for the remainder of London -
Ere he would consider any new
proposition - I then arose and
said "Gentlemen & Col Gouraud
I have had a long full & free
discussion of this whole matter
with Mr Edison and am desired
by him to say to you collectively that
he is opposed to the formation
of District Companies, or to any
division of his interests in Great
Britain and is desirous that
you come to terms with him
for the formation of one Co for
the whole country - under
the auspices of the Gentlemen
of the London Company with
whose action in all matters
but especially with reference
to the preservation of his
good repute - his Patents &c

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has given him a great deal of satisfaction" = This speech delivered in Open Board was a clincher - G. put on his hat & was preparing to leave when I finished. The Board expressed themselves as highly pleased with this mark of our Edison Confidence - Mr B. called upon Col. G. for his views and G. said he should submit a proposition - thus ended the Meeting. Immediately after G. sent for me - & began one of his high & mighty tirades. Which I cut short by simply saying that I was quite aware of the import of all I had said - & if he was wise he would meet the views of the London Co - as promptly as possible that you were determined

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that the Edison Telephone should not be sacrificed on the altar of Mammon or social position - He saw - & trembled - changed his tactics - acknowledged to me that the proposition made by the Co was much more favorable than what he expected - and that he knew it was impossible to form any more such Cos (although he had just told the London Co - that he had offers for the immediate organization of 5 Cos on the basis of the Glasgow Co) and he said further that it had always been a matter of surprise to him that the London Co had agreed to such a preposterous clause as that 20% of the gross receipts &c &c - In short he showed me his hand clearly - & it was just what I told you viz: one of fraudulent patience - kept up

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In Order to ~~[illegible]~~ obtain extortionate terms from the London people I saw B. subsequently & told him to see G. at an early hour & he would find him in a wholly different mood - He did so - & subsequently told me that he now believed they could come to an understanding - G. is to present another proposition today - I am apprized from a private source that he has prepared it & sent it in - but I have not yet seen B. It is wholly absurd & impossible - being as follows. The London Co. to write off the payments made to you on a/c of advance Royalties - as being payments made in Cash - Your profits then to commence at once - instead of after the London Co. have received back the amount

10.000
10.000
5.000
10.000
35.000

MANAGER & SECRETARY.
ARNOLD WHITE.

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms Nos 113.
11, Queen Victoria Street, E.C.
London 18

paid you - or in otherwords they are to agree to pay you 35.000 £ Cash - & then immediately begin paying you ½ the profits - - this only shows Ly. to be as grasping & impracticable as Riff - And it now looks as if I shall be compelled to call upon you for additional powers - Ere anything can be done - In order to be fully prepared for this & to lose as little time as possible I have had prepared a Power of Attorney which at the same time revokes Gurnard - I send it on to you, & want you to be ready to execute it on receipt of a Telegram from me & Bowering so that the only delay will be in its transit from America here -

As soon as you get it. ~~Upon~~ Please telegraph as follows

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London 18

"Quephone - London - Will
Execute on demand —"

Then when you get the demand
Telegraph "Quephone London
Have executed"

This will enable us to proceed
at once —

I may add a few words before
the mail goes tomorrow =

White's letter enclosed explains
itself - He is the leading spirit
in all this = & if this thing pays
Out big for you as it is certain
to do, if you continue to support
me - You must compensate him
- but of that, later = By the By
is your contract with Gouraud
terminable with his Power of Atty
or do you have to continue his
half interest indefinitely

Yours Truly E. H. Johnson

[ENCLOSURE]

Private

√2

61 Gracechurch Street
London. E.C. 27th Feb. 1880

E. H. Johnson Esq.
45 Upper Bedford Place
Russell Square
W.C.

Dear Sir,

√2 Herewith we send you as we have received by Mr. Arnold White, for transmission, we believe, to America, for presentation by Mr. Edison there in due legal form. (viz of English counsel is).

(1) revocation of an existing power.

(2) form of short power of attorney to yourself.

Under circumstances with which Mr. White is acquainted, we are only able to draw the latter in the barest form, which would ordinarily be quite inoffensive; but we understand that the business for which it is required is very limited in its scope. By reference to the existing power we have incorporated the authorities thereby conferred, but such a reference cannot be very valuable unless you can secure (either in England or America) a copy of the recent power to Mr. Forrest.

Yrs Ffl

Wadsworth & Leonard

Mr. Edison will doubtless take care that the documents are likewise legal & notary and duly visée.

1

Feb 1, 80

Cable

Telephone London

Bouverie Phonos
basis will be
approved

Edison

9 Menlo Park 1st inst

307 pm
9-No

Cable Mch 5 80
250

Edison Menlo Park

Gouraud rejects Bouvarie Phonos basis claims terms fatal to developement Cable Gouraud to approve Bouvarie Johnson basis to support it and to inform Quiphone answer

27 London

NP Cable Mch 30 1880
1054 Pm

Edison Menlo Park N.J.

Precisely my aim already practically accomplished Better basis leave negotiations to me or fatal delays inevitable Cable as requested adding must negotiate with him

27 London

Mch 3 80

Quicphone
to
Edison

Mch 3 80

Johnson
to
Edison

T. A. EDISON,

Menlo Park, N. J., Mch 30 1880.

Quephone.

London

Gouraud complains please notify as ~~you~~ I wish to do him no injustice, ~~[illegible]~~ ~~inspectors [illegible] [illegible] [illegible] [illegible] k for [illegible] [illegible] [illegible] and [illegible]~~

Edison

N.P.

Cable March 4. 80

Edison Menlo Park N.J.

Exhausted delicate consideration not
reciprocated definitely denies your
power offensively refusing negociate
While none sanction injustice
Cannot admit you powerless
He privately admits terms
unexpectedly favorable vanity
only barrier

Phonos London

30 paid

Mr. Cable Mch 4, 80
11 40 P.m.

Edison
Menlo Park N.J.

Ready to show every
consideration

Bouvier
London

6 paid

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Mansion House Chambers,
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11, Queen Victoria Street, E.C.
London

MANAGER & SECRETARY.
ARNOLD WHITE.

London Mch 4th 1880

My Dr Edison

The storm has broken - no one is hurt, but things have come to a deadlock - as I anticipated - Gouraud refuses to have anything more to do with the Company until they notify him that they admit that they have no right to have any dealings with you direct, and promise him that they will have nothing further to say to me. This they of course cannot consent to - as it would be acknowledging that they were absolutely in his power - I told you long since that Gouraud's every move was to fix his personal grip on the Company in England - his bearing and action now confirm what I then said; and while it is yet time to loosen that grip you must do it.

We are at a great disadvantage in not knowing what is the exact

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Nature of your contract with him
Please send me a copy of it by
return mail.
At the meeting on Tuesday Gouraud
told Bouverie, that you could not
do anything - & use his own words
"I am Edison - I have an irrevocable
power from him running 5 years"
and again: "If Mr Edison attempts
to deal with you through any
other medium I will show him
that he cannot ignore me"
Bouverie says that even if he had
an irrevocable power from you
it would not hold in England as
against the will of the principal
as English Law does not recognize
such a thing =
Bouverie told G. that he should
present him a proposition
which had already received
your approval - Gouraud said
he should not recognize it -

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London 18

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B. then said - I shall then ask you to submit it to your principals and failing this - or any reply from you - I shall submit it to him direct. Gousaud then said that it would be useless as he had an absolute assignment from you of your power to act which could not be terminated for 5 years -

The proposition is now being prepared and will go to you for your acceptance shortly - Meantime B. sends you a Cable - you reply saying "Gousaud complains Please nullify him as I wish to do him no injustice" - Now since we are not interfering with his monied interest with you and since he told me but a few days ago that the terms of the proposition were really much better than he expected

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4

to obtain - that he did not think any more advanced Royalties could be had - and that it had always been a matter of great astonishment to him that the Co had ever consented to the Clause giving you 20% of the gross receipts I am at a loss to understand where any injustice is being done him - If it is in the direction of a personal affront to his vanity then it is his own fault - as every effort has been made by both B. Waterhouse & myself to induce him to listen to some reasonable proposition, and to close the matter up with you - I have told him on various times that you were anxious to have the thing closed up - and were opposed to grasping for extravagant terms - and have warned him that if he did not do something soon, he would

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London 188

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not only jeopardize the success of the Edison Telephone in England but would entangle himself in a quarrel with you - and I have intimated to him that if he was wise - looking to future things - he would consult your wishes and views in the matter - that all my predictions have been verified, and that he now finds himself without support should be no surprise to him - and I don't believe it is. I really think he is determined to defy you - His vanity is such that he fancies no man will but his own may be asserted with impunity So much for the present situation I sent you a long cable today to assure you that no injustice would be done him by any one you should have known that before - It resolves itself into

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6 18

this = Can you coerce Gouraud into accepting an arrangement which is very advantageous both to you & him; and which will alone assure the success of your invention in England —

If you cannot prevail on him to do so - Can you act independently of him - If not you may as well wipe off the A/c - Every man in the London Co. will withdraw - G. will go into the hands of the "Butchers" & others of this kin - with whom alone he had dealings Ere which brought him into relations with B, N, & Co The Glasgow Company will sue you for the recovery of the 5000 already paid - Your Patent will fail of being prosecuted - and the Bell Co will immediately make an alliance with the R.C.

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I and I shall of course report myself to you for duty in some other direction.

This is not overdrawn for you must remember it is Bouverie & his associates alone who are doing the following things - (Spencer never paid a dollar toward this prosecution) -

1st Fighting the Carbon Patent through the courts against the Hot bed of Microphones -

2nd Preparing the subsidiary contest with Greece

3rd Prosecuting the question as between the Telephone and the Post Office Telegraphs - The Bell Co - would never fight this in the courts as the Po people are in with them & would be interested in conceding the thing.

4th Prosecuting the diplomatic contest over amalgamation

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8 – And here you are powerfully represented by virtue of the fact that you are in the hands of men A. Rich enough not to sacrifice you for money

B. Honorable enough to keep an eye on the Bona fide Character of the amalgamated Company so that there shall be no humbugging the Public in the matter of delusive presentations for investment

C. Sentimental Enough to take an interest in your Name & good repute. and seek in all negotiations to place you in a position which shall yield you both honor – & Credit for your contributions to the Science –

D. Enthusiastic Enough to have already paid you a large sum and to still pay you other sums, in the face of

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London,
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18

Staggering Opposition from every source except the Public.

These are the men who will ask you to remove the Obstructionist and will ask you to nominate me in his stead -

I have been invited to take a seat upon the board as your representative - to advise & consult in every move & action that is taken - openly, as I have done informally for many months past.

What are you going to do -

Yours

E. Johnson

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

This Company **TRANSMITS** and **DELIVERS** messages only on conditions, limiting its liability, which have been assented to by the sender of the following message.

Errors can be guarded against only by repeating a message back to the sending station for comparison, and the Company will not hold itself liable for errors or delays in transmission or delivery of **Unrepeated Messages.**

This message is an **UNREPEATED MESSAGE** and is delivered by request of the sender, under the conditions named above.

A. R. BREWER, Sec'y. NORVIN GREEN, President.

Dated New York Mar 8th 1880

Received at 615 PM

To Edison
Menlo Park NJ

Danger of complycation by attempted assignment to other parties unless you act

Phonos
London

1/3 paid
Hof

READ THE NOTICE AT THE TOP.

Copy/

Manor House
Market Lavington

(Mar. 8)

A. White Esq.

Dear Sir,

I send you a letter from Colonel Gouraud to me received on Friday, and my draft answer sent today to him is on the back. It seems to me to shut him up. He evidently seems to consider that we are bound by his agreement with Edison — Edison is of course but that is nothing to do with us. I return to town on Tuesday afternoon.

Yours faithfully
(initialed) E.P.B.

[ENCLOSURE]

copy

6 Lombard Street.
March 5th 1880

Hon. Sir,

I have received from Mr Johnson a press copy of a letter as per enclosed. I presume I may take it for granted you have seen the original. I have no confirmation of the letter in question from Mr Edison nor any intimation to the effect of his having any disposition to interfere with my management of our joint interests in the telephone.

It has occurred to me that it may be of importance to you to know the extent of my interest in the matter, & of my powers in connection therewith.

I therefore take this opportunity of informing you that my interest is equal to that of Mr Edison & that in his deed of assignment, he has constituted me his sole Agent and Attorney for a term of five years.

Should you desire to see the original deed, I shall be happy to show it to you here at any time.

Yours truly.
(Signed) G. E. Gouraud

The Rt Hon. E P Bouverie.

[ENCLOSURE]

Copy

M. L. March 7th 80

Master,

Mr Johnson read me the letter of which you enclose the copy, and which I received with yours just as I was leaving town on Friday.

It appears to me that all negotiations by the Company have been with Mr Edison alone, partly direct and partly thro' you as his Attorney, and in no respect with you individually, and it also appears to me that there could be nothing in this to preclude myself or the Company from communicating directly with Mr Edison, or to make it obligatory that all communications to him, should be addressed to you, and that all communications from him should only be received thro' you. As long as you are his Attorney, so long your acts & contracts in his name, if within your Power of Attorney, are binding on him

But I did not consider myself precluded from receiving from him an assurance of what he could consider reasonable terms of re-arrangement with the company to which he would assent, nor should I consider myself precluded from offering those terms to him — not through you — if you repeat them.

[ENCLOSURE]

(2)

The arrangements by you with, and the transom which you hold your power from Mr Edison, are matters purely between you & him — all the Company has to do with is a legal agreement with him, whether entered into by himself or his attorney.

Yours

(initials) E.P.B.

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11, Queen Victoria Street, E.C.
MANAGER & SECRETARY.
ARNOLD WHITE.

London 9th 1880

My dr Edison

Learning that Gouraud has not as yet submitted his case to his own solicitor - Mr Renshaw - I put while up to an accidental meeting with Renshaw & to inquire of him if it was really so he (G) had not yet done so. The interview confirms the old story namely - that Gouraud can have business dealings with no one without quarrelling.

"While - is it true Mr Renshaw that Gouraud has not told you yet of his quarrel with the Company"

Renshaw - "No - I have heard nothing of it. What is it?"

W. - "Simply this - the Company finding itself hemmed round on all sides by an onerous contract sought to have it amended through G. & utterly failing in this - as was expected - sought to

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London 18

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and did obtain direct from Mr Edison an expression of his views - the latter were quite in accord with those of the Company - a proposition embodying them, & looking to the purchase of the whole thing by the Co, was made to Y - & rejected by him. Edisons views were then set forth by the Co & Mr Johnson but with only the result of Yourouds withdrawal from all negotiations & refusal to hold further converse with the Company - Edison has been appealed to but no action has been had as yet. & there the matter rests"

R. "Well - this is serious - I shall invite Yourouds to lay the matter before me - and shall advise him to conform to Mr Edisons wishes in the case at once."

This from his own Lawyer

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Mind you.-
Renshaw then went on to say that Gouraud was not to be relied upon - "He never even gives his own Solicitor all the facts in the case" = "He is not to be trusted" & More to the same purport.

I am preparing some papers for your personal which will confirm all that I have ever said to you - and show you that my action has been wholly for the good of your Enterprise.

I heard that Gouraud's Concern after the Fracas was about the Foreign Countries - Especially Australia - & that he immediately telegraphed you to know if you were going to confirm the transfer of these Countries to him on the same basis as England - He made the

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£215 Charges of Johnson the Patent agent - a pretext for the Message to you - You need not be bought quite so Cheap as that - now =
Yesterday he got a Letter from you saying that you had disposed of australia because you had not heard definitely from him - He is now in a funk as to what to do. The Colonies slipping away from him and his grip on England loosening = Yet he is conscious of having acted so badly in these transactions that he dare not even appeal to his own Lawyer =

Now my Dear Boy if at this juncture you would only send a telegram to him & to the Company expressing your determination to have

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Your wishes respected. We would weaken the thing & would go through O.K. = but you do not reply to Cables, so I have stopped sending =

Parliament will dissolve in 3 Weeks. Bouverie is running for the new Parliament which meets in May. Meantime it is as certain as Death that Everybody will be so engrossed in the general elections that the Telephone will receive no attention whatever. So anything which is to be done must be done in the next 3 Weeks. If you do not compel action by that time you will regret it. as the whole thing will fall into the hands of the only man who will then be at leisure to hatch his scheme

Yours
Yours E. R. Johnson

London Marq. 80

E H Johnson

Noans

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ARNOLD WHITE.

London March 9th 1880

Charles Batchelor Esq:
Menlo Park
N.J.

My dear Mr Batchelor,

I am greatly obliged and interested by your letter just to hand.

With regard to the Greece matter, I enclose copy of correspondence that you may perhaps care to read, as he comes down his gum tree in a very con-like manner.

The principal element in these parts now is the conduct of Gouraud and the Company in re to the contemplated alterations in the agreement. Two remarks occur to me. Firstly, Mr Edison is to be congratulated on having a high minded and honourable, no less than an exceptionally able man in the field – in E H. Johnson; & secondly Mr Bowrie & the Company have Mr Edison's real interests more at heart than Mr Edison's nominal representative. I think Gouraud is behaving disloyally, & is thinking much more

of himself than of his principal. I should bitterly deplore Mr. Edison's name being dragged in the mud of our London Stock Exchange: if Mr. Bonnie & his colleagues are hunted out by Gouraud's wily plans not a single shareholder would remain in the circus. As it is the identification of Mr. Edison's great name with men of the moral stamp of Mr. Bonnie, is of great value, and is a silent reproof to those who allege that Mr. E. is a stockjobber.

I hope you will forgive me for writing thus frankly. I shall always be glad to do so, & the pleasure of a few lines from you, will always be promptly acknowledged.

Our operations in England diminish day by day the ratio of difference between the Bell Company and ourselves. While this is the tendency, you may imagine that amalgamation is not the first object we have in view, although amalgamation is inevitable, in my humble opinion.

Believe me,

Yours very truly

Wm Oldmill

I hope I shall have the pleasure of welcoming you to England some day soon.

T. A. EDISON.

3 Menlo Park, N. J., Mch 9 1880

Thomas.

London

Cabled him not

change status without consultation

9 Menlo Park

1228 8Ho

NP.

March 10-1880
4.54 P.M.

Edison Menlo Park

Cable Gouraud following only desire
Bouveries views be promptly met

Thomas

10 paid London

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ARNOLD WHITE.

London March 18 1888.

My Dear Edison

You are not quite "stiff" enough - a little assertion of your individuality just now, would carry the day - Gouraud is in a hole and he knows it - his acts will not bear the scrutiny of the daylight which he knows will be thrown upon them if he quarrels with you - Ergo he won't quarrel - But he will play the game of injured innocence if you show an inclination his way - You have him absolutely in your power. He wants to build himself up at your expense & has launched out boldly on the strength of his connection with you - threaten that connection and you have him.
I enclose a correspondence which explains itself - You will see that I sent him a copy of your letter to me - I did so by advice - He thereupon

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Writes to Bouverie - London refers to his Contracts with you - Bouverie replies that what contracts he may have with you is of no Consequence to the Company - that the Company only recognize you - therefore they have a perfect right to treat with you, if they please so to do. Now the Conundrum is - Have you abrogated all your powers to Government - If not you can close the matter with the Company - If you have then use your influence to force him into a subjective position. If you can do neither you must look for an Even worse basis of Amalgamation here than in America or France (By the Bye I hear that the French Amalgamation is busted - Is it so?) for the London people will Cease to take any interest in the thing & Only the money grubbers will influence affairs -

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London 18

3/ It is now morally certain that the Gladstone regime is coming into power in May - Bouverie is standing for Parliament again for the express purpose of going into the Gladstone Cabinet in which he has been invited to take a seat in case of the success of the Liberals - The Edison Telephone will then have for its Chairman a Member of the Government - a Cabinet Minister - The Post Master General will - if not kicked out. Certainly be coerced into kicking out the present Post office Crowd - Your time will then have arrived - With Bouverie Chairman of the Edison Co - and a Cabinet Minister Edison will have a Champion in high places which the small fry will be bound to respect.
Shut one Eye - & stick your thumb in the other and you will still

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London

MANAGER & SECRETARY.
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to be able to see that this programme don't suit yourself - who would die of Envy to see any other than he looked to by the Public as Edisons Champion - He will sacrifice Everything rather than do this. There is the secret of his hostility to Bouverie -

Stop all your five senses by an overdose of Sawyer Morton Dellmeed et al and you will still be able to summon sufficient automatic Muscular contraction to become conscious of the fact that your fame name glory power money or ought else worth the having is to be won & preserved under the banner of the Rt Hon. (bona fide) & lost under that of the "Duke of Norwood" (self appointed)

Bouverie is known & respected Everywhere - the gentlemen composing the London Co - the Manchester Co, the Liverpool Co - & the Glasgow Co

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MANAGER & SECRETARY.
ARNOLD WHITE.

as well as those who compose
the companies opposed to us
one & all respect his honesty
& his business judgment -
On the other hand few know
and none respect the "Duke"
= I am just summoned to court
- The case against the Silvertown
people is to be called in a few
minutes - "Now comes the Tug of
War" - If this letter is a little
too brilliant for ordinary purposes
bear with it - as it is written
under the inspiration & by the light
of Edison's Electric Light - Jottings - vide
todays Electrician

Yours truly
E. K. Johnson

Mch 12th/80

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ARNOLD WHITE.

London 18

My D. E

Still they come –
I am advised (strange how I learn these things so promptly Eh) – that a cable has just been recd from yrs. deprecating the too strict construction of the 5th clause –
All right – so much the better – I will now say to Bouverie that as yrs have conceded their construction of this 5th clause they must concede theirs in turn in consideration of yrs waiving the "Reversionary Good Will Clause"
So send yrs cable as soon as you receive this

Yrs
J Chas

My dear Edison –

I will send off your cable to Ralston. I enclose one just rec'd from Gounaud, and shall be glad to send a reply if you wish to send one.

Hope you are ok

Yrs

Ward

[ENCLOSURE]

No. 1. 20,000. 5—8—9.

(Service Message Form.)

The Direct United States Cable Company, Limited.

NEW YORK STATION, March 10th 1880

Recd. from | Sent or handed to |

Time ... M. | Time

Clerk | Clerk

Prefix ... No. of Message ... No. of Words ...

From | To

London | Edison

Johnson	assumes	negotitions
ignoring	me	giving
as	authority	your
letter	to	him
of	January	28th
do	this	your
intention?	if	not
you	must	cable
quephone	as	I
have	twice	requested
or	expose	me
to	Contempt	I

No. 4. 20,000. 5—8—9.

(Service Message Form.)

The Direct United States Cable Company, Limited.

NEW YORK STATION, ... 187

Recd. from | Sent or handed to |

Time ... M. | Time

Clerk | Clerk

Prefix ... No. of Message ... No. of Words ...

From | To

2

am	anxious	to
follow	your	wishes
when	expressed,	but
must	insist	that
negotiations	be	left
to	me	

Gouraud

GGW

[ENCLOSURE]

Gouraud March 10 '80
to Edison
+ Edison's reply

Gouraud London

There has been no negotiations
Phonos merely asked me ~~may~~ ~~that~~
~~opinion~~ ~~opinion~~ ~~as~~ of certain
propositions were made
~~if they~~ would they be acceptable
I replied that they were true but
they must see you also as I
would do you no injustice
Edison

Cable Mch 11, 80
1223

Edison Menlo Park

Explain meaning "Chalk
Shall I pay Johnson's
Charges Australasian patents
Gouraud

14 London

THE SCHOOL OF
Submarine & Military Telegraphy
AND
Technical Instruction Company
4, George St., Hanover Square,
London, W.

11th March 1880.

Dear Sir —

As recommended by you we have applied to Mr Arnold White here for a set of your loud-speaking telephones and in reply he states that the Company are not willing to part with their instruments but we could have them on loan for £12 per annum — the usual charge to subscribers for message purposes but as we only require them for instruction purposes think this scarcely a fair charge.

Hitherto we have not experienced the slightest difficulty in obtaining English and all other inventions which we have applied for and are now using Sir Wm Thomson's, Cromwell F. Varley's and Sir Charles

we have no authority to have such rights

Wheatstone's apparatus but, through some short sighted policy, have to the present failed to obtain your instruments here.

Feeling sure that this can only be the result of some misunderstanding and cannot we know be in accordance with your well known spirit or desire, we again address you on the subject and should be glad if you would kindly supply us with a pair. We have all other systems & of course, thoroughly understand the construction & connections of your ~~one~~ – having diagrams of same – but should prefer the actual instruments if we could obtain them. Of course, it is needless for me to point out (what must be perfectly obvious) the great advantage to inventors of having their instruments thoroughly understood by those who will be taking some of the leading positions in Telegraph work. Yours Sadtfully

J. A. Edison Esq.

S. S. Jones

P.S. Can we obtain one of your Phonographs here and if so what would be the price

P.S.

No 1

March 12 1880

Menlopark London

Only desire Bouvaries
Views be promptly met

Menlo Park mch 12

10 25
9 10

20,000. 5—8—9.

No. 4.
(Service Message Form.)

The Direct United States Cable Company, Limited.

NEW YORK STATION, March 17th 1880

Recd. from | Sent or handed to
Time M. | Time
Clerk | Clerk

Prefix ... No. of Message ... No. of Words ...

From London | To Edison New York

Then	cable	Pouverie	3
he	must	negotiate	6
Exclusively	with	me,	9
and	cable	me,	12
that	you	have	15
done	so -	Johnson's	18
used	your	letter,	21
and	your	cable	24
quickone,	approving	certain	27
propositions	unknown	to	30
me,	have	been	33
Construed	into	your	36

20,000. 5—8—9.

No. 4.
(Service Message Form.)

The Direct United States Cable Company, Limited.

NEW YORK STATION, ... 187

Recd. from | Sent or handed to
Time M. | Time
Clerk | Clerk

Prefix ... No. of Message ... No. of Words ...

From | To

2

dishonoring	me,	meantime	3
negotiations	suspended	situation	
Critical	so	act	9
promptly -	I	consent	12
to	Pouveries	views	15
generally	but	they	18
involve	many	important	
details	which	can	24
safely	and	ought	27
to	be	left	30
to	me -		33
	Gouraud -		36

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ARNOLD WHITE.

London Mar 13 1880

My D. Edison
What do you think of
these? Carrying out your
suggestion -
We have just rec'd an order
of the Court to compel the
Silverton people to answer
our writ - served upon them
to estop them from delivering
the Blake Transmitters they
are making for the Bell Co
It is the first step in the injunction
proceedings. I am pushing this
fight for all it is worth - You need
never lift a finger to aid us.
The Co. bears the whole burden

E. H. J.

S.S. "Adriatic"

6. Lombard Street. E.C.

London. May 15th 1880.

CABLE ADDRESS,
"GOURAUD, LONDON."

T. A. Edison Esq.
Menlo Park.
New Jersey.

My dear Edison

With reference to your registered cable address "Menlo Park, New Jersey" the Cable Company inform me that they must have a proper name in the address, therefore Menlo Park, New Jersey, will not serve. I would consequently suggest your registering, "Carbon", Menlo Park". I shall take it for granted that you will register this address upon the receipt of this letter, and therefore after about that date I shall cable you under that style.

You should continue to cable me "Menlo Park, London" as my cipher cable.

Yours truly,
E. Gouraud

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11 Queen Victoria Street, E.C.
MANAGER & SECRETARY.
ARNOLD WHITE.

London Mch 15 1880

My Dr Batch - Got yours saying Edison concluded to reply to my Letter "Bouverie Phoenix Bonis approved" = thinking the Telephone might "safely be left in such hands" It reads rather strangely however today in view of Gouraud's assertions that he has Telegrams from Mr Edison disowning my action re &c - He is charging me with "dishonorable action" - "Misrepresenting Edison" &c &c Now if Edison is going to be hood-winked by Gouraud (who obtains the free use of the cable in Edison's name for the purpose) - he is going to show himself unequal to the occasion - Bouverie & Everyman of his associates - will endorse every action of mine - Not one of the Co - or of Gouraud's personal friends will endorse his - & I can refute every charge he

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May make - He can't deny one of mine - or if he does I can obtain a multiplicity of Evidence over Signatures worth 100 one of his! I have done nothing except with the single purpose of advancing Edisons interests & that of the Telephone - and that too at a considerable sacrifice of my own - If Edison goes back on me - he must explain to Browne, & if he denies having agreed with me that an understanding between himself & the Co - was to be had by me - & Gouraud then to be asked to carry out the details, & in case he (G) declined - pressure was to be brought to bear on him to compel his acquiescence - then I am undone by Edison himself & the thing will go to Hell very fast I have put Edison in an enviable position - Gouraud has brought

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ARNOLD WHITE.

Lond. 6th

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him into disrepute - I seek to still further Elevate him & his - & Gorrand seeks to annihilate him & Elevate his own person instead; & yet on the first day of ~~Eth~~ Gorrand Edison telegraphs him disowning me -

Either I have shown these Gentlemen Edisons mind - or I haven't - I say I have - & they believe it - Gorrand says I haven't - & Edison endorses what he says -

This is the present status:

As soon as I can get hold of the exact Correspondence which has passed between G & Edison I am going to draw up a statement of the precise course I have pursued & get Every man in the Company to endorse it - & send beside letters of Edison endorsing my whole course & work since I have been in England - It is humiliating

MANAGER & SECRETARY.
ARNOLD WHITE.

The Edison Telephone Company of London Limited.
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London 18

to have to do this for Edison Conviction, but rather that than to allow this infamous liar & Charlatan to gain an Easy victory over me – By the Bye I can introduce you to a score of men with whom Mr. has had business dealings who will apply the above Epithets to him – the last is Parish who left me but 10 minutes ago & who thus styled him –

Photo's not yet to hand – as soon as they come will send you money – What about the Group

Yours Truly
E. Johnson

The Edison Telephone Company of London, Limited.
Mansion House Chambers,
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11, Queen Victoria Street, E.C.

MANAGER & SECRETARY.
ARNOLD WHITE.

London 15th March 1880

Charles Batchelor Esq
Menlo Park
U.S.A.

Dear Mr Batchelor,

I take the liberty, in view of the kind letter I had from you a few days since, of communicating to you my views of the situation that has developed between Col. Gouraud and the Company. Under ordinary circumstances I should have not expressed any opinion on a matter which might be left under ordinary circumstances to take care of itself. But as Gouraud has, I understand, roundly charged Johnson with dishonourable conduct, anything Johnson may say is almost necessarily coloured with some personal feeling against the man who has made such an accusation. The question has 'boiled down' to this. Gouraud and Johnson cannot

both remain in the Company. From the Company's point of view there is no question as to which of them they wd rather see slide. Johnson is necessary to us in the patent question. He has the skeins of this tangled question in his hands. His conduct from first to last has not only been that of a straightforward highminded honorable man, but that of an able efficient servant of the Company. Contrasted with this we have a man whose relations with the other members of the Board are now almost strained to breaking. His language his aims and his whole tone are such that at no distant period the present Board must break up. & I think I may say I speak in this matter without bias, & that I wish more intensely than anything on earth to see & assist in making the Edison telephone a success. I can see no way out of this difficulty than by removing Col. Gouraud from power in the Company. There is no need that Mr Edison shd injure him

pecuniarily, but if this thing is to go, he must go.

I think I may claim to know more of the constitution of the Company than Gouraud. I found the money to start it, worked for months in the organization of what is going to bring Mr Edison in all at least $250,000. I understand that Gouraud told Mr Edison that he found the money. It is a detail, but bol. Gouraud did no such thing. He left £50 towards the expense which I repaid him.

Of course I am writing to you as frankly as though we had met: & I need not say that the subject of this letter is private.

Johnson is very sore, & I hope that you will back him up right square through.

Yours truly
Jno L White

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms No 113.
11, Queen Victoria Street, E.C.
MANAGER & SECRETARY.
ARNOLD WHITE.

London March 18th 1888

My Dr Edison Enclosed explains itself - You will observe who it is that holds this man Preece in Check. These little items indicate where your interest lies.

Preece has cunningly worded his retraction - doubtless with the view of hereafter referring to this Correspondence as an admission on our part that we do not consider our Transmitter a "form of Microphone" But I am ready for him there - my reply will be that "Our Transmitter being originally a Microphone we could not 'abandon it' for 'a form of Microphone Transmitter'" Of course I always maintain that there is no such thing as a Microphone that in any form the apparatus is simply a Transmitter of Vibration Either Aerial or Mechanical

Yours

E R Johnson

[ENCLOSURE]

Copy

Offices of the Edison Telephone Company of London Limited
11 Queen Victoria Street
London E.C. Feb 10th 1880

W. H. Preece Esq
President of
The Society of Telegraphic Engineers
Sir,

My attention has been drawn to some remarks you are reported to have made in the course of your inaugural address delivered before the Society of Telegraphic Engineers, on the subject of Mr Edison's Carbon transmitter.

These remarks, which are published in the "Telegraphic Journal" of 1st February also in "The Times" and "Standard" of January 29th are of a nature which may be considered damaging to the interests of this Company.

If you are not correctly reported I must request you to give me authority to say so. But if you are, your statement that Mr Edison has laid aside his peculiar form of transmitter, is so entirely without foundation, that I have to request, that you will correct with equal publicity, the statement in question

Since the Edison Transmitter now used by this Company, is identical with that invented by Mr Edison two years ago, it is clear that if the former is a mere form of Microphone this was equally true of the Transmitter which I believe that Mr Edison

[ENCLOSURE]

sent to England in March 1878.

I am, Sir,
Your Obedient Servant
(sgd) Arnold White

General Post Office
12 Feb: 80

Dear Sir,

I beg to acknowledge the receipt of your letter of the 10th inst referring to my Inaugural address at the Society of Telegraph Engineers in which I referred to Mr Edison's Carbon Transmitter.

If it is, as you say [that Mr Edison has not laid aside his peculiar form of Transmitter I will at once bring the matter before the Society but my recollection of the instrument he sent over does not at all agree with what you say]

I should be ~~very~~ sorry [to allow any statement to go forward which is inaccurate and I am therefore quite open to conviction and quite ready to withdraw the reference affecting Mr Edison should it be untrue]

Could Mr Johnson call upon me with one of the original forms and compare it with the form we have?

[Our receiver at the G.P.O. is out of order and we want someone to put it right.]

Yours faithfully
(sgd) W H Preece

Arnold White Esq

(2)

[ENCLOSURE]

London E.C.
Feb 18th 1880

W. H. Preece Esq
General Post Office

Sir,

I beg leave to acknowledge your letter of the 12th saying "should it be that Mr Edison has not laid aside his peculiar form of Transmitter I will at once bring the matter before the Society, but my recollection of the instrument he sent over does not at all agree with what you say" You further say that you "should be sorry to allow any statement to go forward which is inaccurate, and I am therefore quite open to conviction and quite ready to withdraw the reference affecting Mr Edison should it be unduly."

I am obliged to you for these assurances. I think any careful examination by yourself of the Carbon Transmitter at the Office of this Company must easily satisfy a gentleman of your professional skill and knowledge of electrical science, that its operation is exactly on the same principle, and is of greater or less perfection of contact and is scientifically the same as those instruments which were placed in your hands in an early stage of the progress of Mr Edison's invention by Mr Edison himself. I presume those instruments are still in your possession I shall be happy to make an early appointment for you with Mr Johnson,

[ENCLOSURE]

to enable you to again to examine Mr Edison's Button Transmitter at this Office in order to give you this satisfaction.

It must be obvious, that if you had unintentionally done Mr Edison a public injustice in this respect he can fairly claim an early rectification of the error into which you have been led. The greater your public reputation and authority in these matters the greater the injury done to Mr Edison's fame by any erroneous statement affecting his invention.

I am,
Sir,
Your Obedient Servant
(sigd) Arnold White

[ENCLOSURE]

General Post Office
24 Feb 1880

Dear Sir,

In the proof of my address which is not yet issued I propose to alter the sentence you objected to in the following way.

"In fact [Professor Graham Bell, Mr Elisha Gray and most of those who have been working in this field have laid aside their own particular form of transmitter and have adopted one which is a mere form of Microphone"

I do not want to be led into any expression of opinion as to the principle involved in the working of the Microphone.

I trust the above alteration will meet with your views.

I am, dear Sir,
Yours faithfully
(sgd) W H Preece

Arnold White Esq

11 Queen Victoria Street &c
London Feby 28th 1880

W H Preece Esq
General Post Office
St Martins le Grand

Sir,

I have to thank you for your letter of the 24 instant, in which you set forth an alteration you propose to make in the revised proof of your address.

I regret that the proposed change in

5

in the form of the paragraph in question between us does not appear to meet adequately the requirements of the case. You propose to substitute for a distinct categorical statement, which can readily be demonstrated to be without foundation, another statement from which the very allegation complained of would seem to follow. You propose to say that "Prof G. Bell, Mr Elisha Gray, and most of those who have been working in this field, have laid aside their own particular form of transmitter and have adopted one which is a mere form of Microphone."

As Mr Edison is certainly a prominent worker in the field of telephonic science, the natural inference from the above sentence must be that he is among those working in this field who have laid aside their own particular forms of transmitter.

It follows that the statement of which I complained as inaccurate is thus indirectly implied instead of being positively asserted.

As your statement appeared in the "Times" and other daily papers, it cannot be considered as an adequate reparation for it that the correction of your error should be restricted to journals circulating only among scientific men.

The statement in question has, no doubt unintentionally on your part, inflicted an injury upon this Company, which represents Mr Edison here, and without

[ENCLOSURE]

asking you to express your opinion as to the principle involved in the Microphone, I must beg, on their part, that you will without delay withdraw your statement as to Mr Edison and his Carbon Transmitter as publicly as it was made; or give me at once authority to do so.

I am,
Sir,
Your Obedient Servant
(signed)

[ENCLOSURE]

"The ordinary general meeting of this Society was held on Wednesday February 25th, Mr W.H. Preece, President in the chair. The Minutes of the last general meeting having been read and confirmed, the President rose and stated that he wished to correct a statement made by him in his inaugural address, viz., that microphonic telephone transmitters had superseded those of other forms in certain of the telephonic systems now in operation. He wished to say that this was not the case with Edison's system, the transmitter employed by that gentlemen being very slightly different from that originally employed by him. The President's statement in his address should, therefore, not apply to Edison's system."

I certify that the above is a true extract from "The Telegraphic Journal" dated March 1st 1880

A.T.

Amos White

Managed Secretary
Edison Telephone Company of London Limited

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11, Queen Victoria Street, E.C.
MANAGER & SECRETARY.
ARNOLD WHITE.

London Mch 19th 1880

My Dear Batchelor

Young Powers - Gouraud's Nephew goes out by this mail - He will probably visit Menlo Park - If he does - Pump him all you please - but be careful what you say to him - He is a good natured free & easy sort of an American - Will damn his uncle as quick as anybody - but it has just occurred to me that his going out may offer Gouraud an opportunity to filch a little private information from your fellows: So keep your Eyes & Ears open & your mouths shut - Gouraud has completely turned round he is now telling Everybody that he is going to accept the proposition - that it is a splendid bargain - that he never meant to do otherwise &c &c - In short Edisons

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Dark Cable - letting Edison ~~& work~~
along smoothly & to accept the
terms as best for the Interests
of both - was just the one
thing needfull to show him that
Edisons mind was made up -
Having therefore accepted the
inevitable He is now bending
all his energies to "make a Virtue
of Necessity" - & will no doubt
in about 30 days - convince
Everybody that It is a great
Victory for the celebrated Geo &
Gould - financier - With this
I shall not quarrel - as you
& the G - all know who has
Engineered this thing against
his most bitter hostility - He
however couples - with Every
Allusion to the satisfactory
terms obtained - the remark
that "Edison never intended
Johnson to make the use he
did of the Letter he gave him"

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3 Now if Edison did not intend me to use that Letter with Mr Bouverie for the purpose of showing him that he (Edison) did not approve of Yorsands grasping Policy - & was willing to accept terms which would make a unit of the Co, & put it in such condition financially as to enable it to raise capital honestly - What in Hell did he intend = This at all events was my intention, was Bouveries intention & was my understanding of Edisons Therefore when Yorsand charges me with an abuse of Edisons trust he must Either make good the charge - Take it back - or show fight = If he chooses the latter it will be warm work for him & Can obtain Evidence Enough of dirty tricks he has played to damn him - Commercially & socially in

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4 in England - and I will do it.
But this will follow the
consummation of present scheme
and not be allowed to interfere
with them - This is my 1st effort
at negotiating - and I don't mean
to jeopardize its success by being
too thin skinned - But "after the
Opera is over" = Well we will see =
One thing is certain Edison has
got to face the alternative of
abdicating in favor of Gower and
or nominating a new Director =
The London Company will not
accept him in the reorganization
= The New Co - proposed in case
of amalgamation - will not accept
him - and it is morally certain
that no amalgamation scheme
can be put through if he is
allowed to have any say =
Therefore Edison will be asked
very shortly whether he will
nominate a new Director =

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5 He must be prepared to say yes - & say it as though he meant it =

Gouraud has not written Edison up to date for the reason that he cannot decide what to say = He has started 2 or 3 letters & destroyed them = He is compelled by his whole course of action to make up a story = He dare not tell the whole truth = He is in the dark as to how much Edison already knows. He therefore hesitates = I'll give 5 £ to see the letter he finally writes - if indeed he ever attempts it at all =

Moore of Glasgow goes out Apl 3rd & I'm going to give him a letter to both you & Edison & I want you to receive him well - invite him to stay all night - show him the light & generally greet him as

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"Hail fellow Well Met" then thump on Geo. E. G. generally but with reference to the Organization of the Glasgow Co in particular = Tell him what your contract with Gouraud - is in re - to the Expenses Each were to pay - ie that you perfect the Inst - & pays ex of Organizations - Draw him out as to what Gouraud agreed to pay him to organize the Glasgow Co - - Why he was so anxious to have it done &c &c =

You will learn something to your advantage - & to Gouraud's disadvantage ! !

I enclose a copy of a notice I read today - calling for a meeting of the Glasgow Co to consider the matter of uniting with the London Co - This was the hardest point I had to carry - as it involved the

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Taking on of the Glasgow Co's obligations to you & a very heavy dead weight - the Glasgow Co - never having done anything = Of course this meeting will end in endorsing the plan then it only remains for you to execute promptly the new contract with the London Co

Yourand has been served with a copy of the new contract = Has been advised by his Lawyer to accept it graciously - and has consented to do so - It is however now in his hands for some "slight alterations of detail" = Which may or may not mean the imposition of some impracticable conditions =

Tell the Old man I pulled all the wires I held - to effect this result & say that if any of them have tranged a wrong tune, or produced discord

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~~Hon~~ He must simply cut them loose & listen only to the Harmonious Whole – I carried too many guns for George Edward He kicked, lied, swore, & fumed – but I have kept my temper – & have earned the encomiums of much better & more honorable men than he ever was or will be – I had hoped to avoid a quarrel with any one White in England & I've steered clear of a good many of them but this was inevitable & made absolutely necessary by the alternative of the failure or success of the E T Co of England

Irene wants me to thank you for your considerate attention to his application – He will be the right man for E when he is ready – By Bye E H J

March 20 1880
5-14 P.M.

Edison
Menlo Park NJ

Where are motors
Quaphone
Via London

Paid

Quaphone London.
Motors Shipped

V

CABLE ADDRESS.
"GOURAUD, LONDON."

6, Lombard Street, E.C.
London 20th March 1878

Thos. A. Edison Esq
Menlo Park N.J.

My Dear Edison

London Telephone Co.

You can imagine I was a good deal startled when in the midst of my negotiations with Mr Bourne I was made aware that without my knowledge certain communications had been made to you and that you had already assented to the modifications in the Agreement which Mr Bourne was asking. It was not until I cabled you concerning Mr Johnson's use of your letter of 28th January that I was aware of the existence of that letter or the use Mr Johnson had made of it. Your cables have satisfied me that you could not have intended Mr Johnson to use the letter as he did.

As to the proposed modifications I had already assented to them in the main I should not however have consented to so important concessions on your behalf without first consulting you but as your telegrams make it clear that you are anxious that the

concessions should be made, I have given my consent to the general principle and the Documents are now being drawn. The day after tomorrow they will no doubt be settled in detail and the arrangements will be consummated. The delay in getting instruments and the consequent extent to which the Bell Company have been able to occupy the field ~~with the P.O. Gentlemen~~ have satisfied me after long continued troublesome and expensive negotiations to the end of forming Bolton Companies that that scheme were better abandoned provided the London Company put itself on sufficiently strong basis to do the whole business.

I think all things considered the new arrangement will be to our interest as I have made it obligatory upon the London Company to amalgamate with the Glasgow Coy (thus insuring us from all complications with that company) the London Coy to guarantee the payment of the £5000 now due from the Glasgow Co, and to pay us besides ~~another~~ a further £10000 - with such a guarantee as an aggregate of £35000 we may feel assured

that for self preservation a liberal policy will be exercised in the defence of the Patents.

I should have preferred that the £10,000 proposed to be paid by the London Company were paid at the execution of the Agreement and might easily have accomplished that but for its being understood that you had assented to the deferred payment I shall however endeavour to have notes given for these payments upon the execution of the Agreement which will enable us to settle the whole thing up.

There is no doubt whatever that the Bell Company have been able to extend more rapidly than we very largely on account of their form of Receiver having advantages over ours. The Lowness of price does not seem to counterbalance (with the public) the disadvantage of turning the crank I shall continue to look with interest for some modification of this however.

Yours very truly

[illegible]

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ARNOLD WHITE.

London Mch 22d 1880

My Dr Edison

Gouraud has written you stating that he had made certain propositions to Bouverie which were in the main the same as those submitted to you by me & subsequently agreed upon, and that negotiations looking to their early acceptance by B. were well under way when I stepped in & interfered with them &c &c &c. Every word of which is a damned lie from beginning to end. He had not only not submitted anything - but had pooh pooh'd every suggestion looking to the unification of the whole country. He was well bent on forming a seperate Co. - putting the stock on the stock Exchange & going in for a speculation generally. I think I wrote you at the time that when the "Bouverie Phoenix" basis was submitted to him, he tore it up with the remark "preposterous absurd utterly impossible &c &c"

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2 Bouverie himself will confirm this if need be - I also heard him say at a Board meeting that he had the money tendered to him to organize a seperate Co. & he could therefore in justice to you not consider any such terms as were proposed - the next day he told me himself that he did not believe that he could raise another 1000£ outside of the London Co - What use have you for such a liar as that = In fact his whole character is best defined by the word "Trickster" He thinks he is doing a brilliant thing when he tells a downright lie about what he can do with others in order to extort terms from the people with whom he is bargaining His whole action has been that of a man who had no faith in the future of the thing

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3/ and was bent on getting all the Blood there was in it at one squeeze - not caring a damn whether he left it strangled or not.

As for your future royalties you are far more likely to get them if the thing is made a unit & financially strong, than if you subdivided it into a No. of weak companies:

Of course in case of amalgamation the advance Royalties paid & to be paid you, will be written off & your half interest in the Profits will be recognized as entitling you to a half of the Profits from Amalgamation - that is to say you will get half of that sum which is left after what has been expended for Royalties, Plant &c has been paid back to the ~~them~~ shareholders - of course our aim is to get as much as

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possible so that ~~this~~ half of the surplus over expenditure may be a good dividend = But in addition to this I have agreed with Bouverie that you must have a Royalty on Every Carbon Telephone used - no matter Whose Model - I have done this for two reasons - 1 - to obtain an acknowledgement of your right of discovery of the Carbon Principle & 2 - To secure a future income for you from the Telephone in Eng. I have conceded to Bell the same thing viz: that he shall have a Royalty on every magneto Receiver used = No one Else is to be recognized = these two points have already been agreed upon by both sides. so they may be considered as out of the way = The only sticking point now, is ~~the~~ usual one of the respective interests to

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5 be represented in the New Board
We stick out for the chairmanship
& they do for the same - a plan
of Compromise is being drawn
up - & will have it in a day
or two - When I will submit
the whole basis of Amalgamation
to you. It will then come off or
fail - by your own decision
Bouverie & his associates are
prepared to take either decision
in perfect good temper - they
don't care a "tuppence" which
Way you decide =
My own opinion is that if
we could only get Gower and
Out of the way = reorganising
on a large scale - get in plenty
of Capital - so as to fight fire
With fire - Declare Amalgamation
off & go on for a vigorous
Campaign We can soon
Outstrip them - Beside having
always in view the probable

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in preference against ~~the~~ and the carbon Telephones = Then instead of being dictated to by them we should be the Dictators = Both Waterhouse & Bouverie are quite prepared to take this view also = But there are two Drawbacks 1st Sound = 2nd The want of a receiver by which facility is afforded for writing down the telephonic messages —
The 1st I have undertaken to show you is a legitimate Cause of Complaint which can only be removed by you —
The 2nd = I have undertaken to remove myself = & have met with considerable success = I hope to have an Instrument in a day or two which will solve the problem = If I do it will go a long way towards stiffening the back bones of Everybody
The fact is = we lose a great

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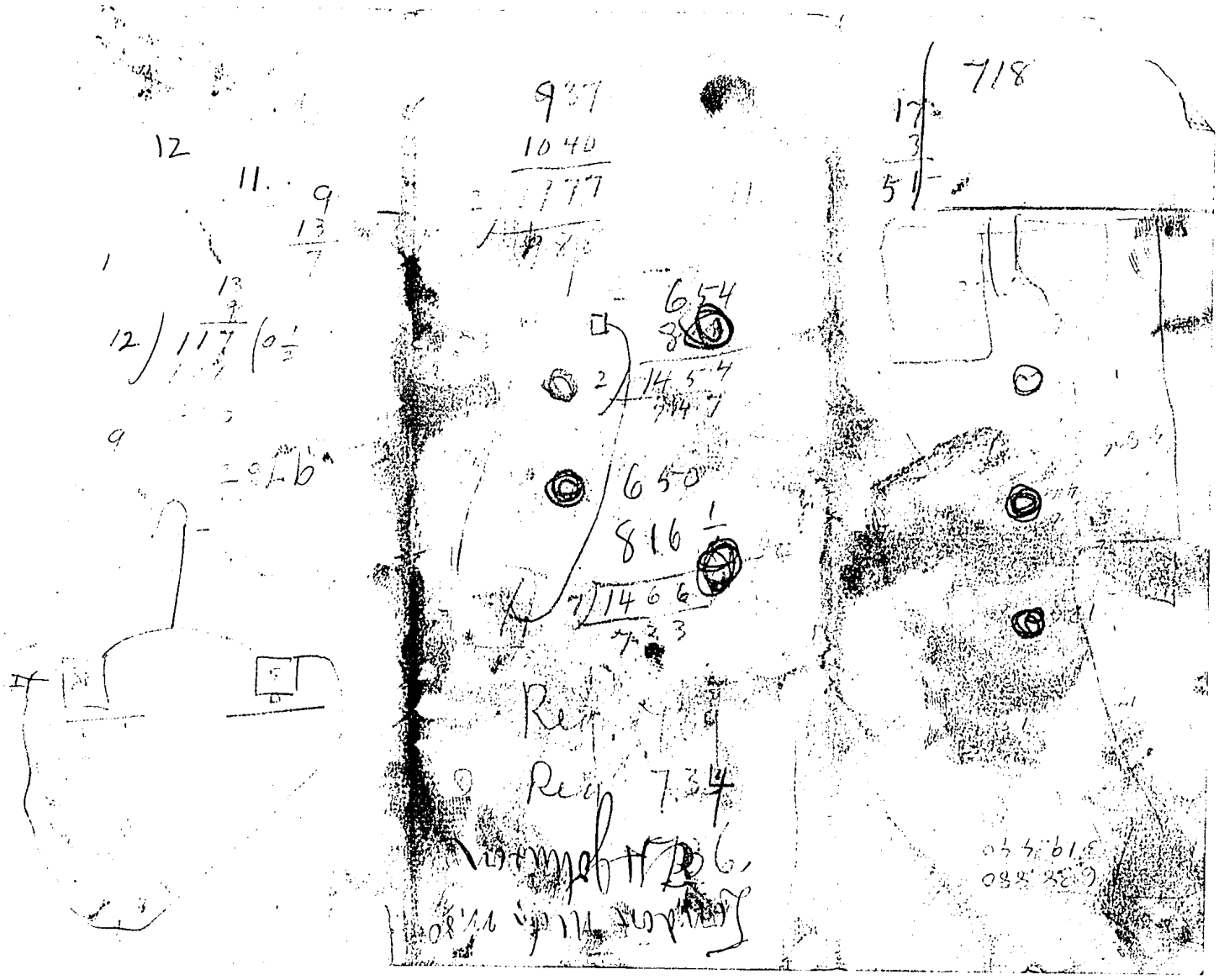
Many Orders - simply on account of this crank - It must therefore be recognized as a defect no matter what we may ourselves think =

Bouverie is down in the country fighting a county for Parliament. Not much can be done until his return - as soon as he does however - action will be quick sharp & to the point = You must look for another instalment of Cablegrams - as Governor has only been temporized with - not appeased

Yours Truly

E. Wilson



Mar 24, 80
a m

Cable

Menlo Park London

Have you closed with
Bouvier's new basis
Edison

Mar 24, 80

Cable

Phonos London

Has Gouraud closed with
Bouvier's patters proposition
not arrived

np.

March 24, 80
12 18 PM

Cable

Edison
Menlo Park N.J.

Yes also foreign colonial similar basis separate Company

Gouraud

92 London
direct

T. A. EDISON,

Menlo Park, N. J., [redacted]

March 24 1880

Phonos
London

Gouraud answers me that he has closed with Bourbouze

11 Menlo Park
March 24

5 50 P.M.
E. G.

no Cable Mch 25-80
846 a m

Edison
Menlo Park NJ

Not closed still haggling
Will cable when agony
over Thomas

12 London
457

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London Mch 25 1880

My Dr Edison

No 553 = A.H. 157 has quietly laid down & died - ie the carbon suddenly developed 3 weak spots which glowed for an instant like stars then went out = I presume some weakness of the vacuum as this carbon has stood many severer tests than it was today subjected to ie 2 series of 50 each = No one was present when it went out consequently I have locked it up for return to you - & shall say nothing about it - & so avoid useless discussion the rest are all O.K. The glass & clamps are intact.

I have today answered your 2 cables asking if Gouraud had closed with Bouverie - by saying that he had not but was still haggling - the fact is

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he answered you ~~on~~ his intention
& not on the present state of the
thing - The ~~[illegible]~~ proposed Contract
was submitted to him a week
ago - and has since been passing
to & fro between his Lawyer & Waterhouse
the various details being altered
& amended from time to time
- When it is finally acceptable
to Yourself, it will be submitted
to the Board - and if satisfactory
to them will no doubt be
forwarded by Yourself to you.
This being the present status
I was not justified in saying to
you that the matter was closed.
Everything is retarded now by
the General Election but they
are over next week - then as
Everybody will be back in town
things will go ahead with
Vigor Heartily yours

E. H. Johnson

S.S. Germanic

6. Lombard Street, E.C.

CABLE ADDRESS.
"GOURAUD, LONDON."

London 25th Mar 1880

Thos Alva Edison Esq
Menlo Park N.J.

My Dear Edison

I have your cable as follows:—
"Have you closed with Bouvene
"new basis"

to which I replied
"Yes. Also foreign ~~an~~ colonial similar
basis: separate company"

The further agreement is in the hands of the lawyers and is understood to be definitely settled as regards Mr. Bouvene & myself upon a basis which I understand you to have approved and desired me to give assent to

Yours very truly

G. Gouraud

Cable Mch 27

Thomas London

Forward Cables positively closed

with ~~Bourverie~~,
Bourverie

8, paid,

J. C. REIFF,

No. 52 BROADWAY,

New York, Mch 29 1880

Confidential

My dear P.A.

Enclose you letter recd from E.H.J.

It was evidently written after very careful consideration & it seems to me, you cannot hesitate a minute in affirming his course & following the line of policy marked out.

We surely cannot doubt the absolute faithfulness to you of E.H.J. - nor can you doubt that his indomitable perseverance & fertility of mechanical resource has been the main cause of the success of the Edison Telephone in England -

This leaves out of question the very able pamphlet he wrote which gave the London Company such faith in their ability to sustain your patents against Bell, Blake, Gower & all others.

Yours J C Reiff

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London March 20th 1880

My Dear Edison

Isaacs has arrived - and at a very bad time. We are just discussing the question of sending some of the boys back home. Gibson has proven a failure - no go in him. Seymour is too much of a worry to Rose - He can't keep him at work. Brassey never was any good - and along with it all - we are at low ebb in money matters. I am very much in doubt as to whether I can put Isaacs to work at all - and he says he is entirely out of funds. His coming is unfortunate.

Of course I have pumped him as to E. Light - and learn that you have reached one of your stone walls - a sort of Landing place where you take a rest. He says you have lost the art of Carbonizing - just as

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you did of making Carbon Buttons and of making Chalk Cylinders That is there is some factor in the art which you have not yet discovered - I get the impression that you are somewhat tired out Reading you better take a Holliday Go West with McLaughlin or run over here quietly with Batchelor in May -

Things are at a stand still here on account of Elections - Everybody takes a hand here in a general Election - Consequently business is Dead for a few weeks - the Elections will however all be over in a few days then work will go on. Waterhouse has just been in and I explained to him your Queries & my replies as to Whether Yourself had Closed with Bouverie - He says the contracts are still in his hands - but he thinks I may

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Say they are practically closed.
As a Board meeting has to be
held - and Bouverie has to put
his sanction to Waterhouse
& Gouraud's final documents, I
do not by any means consider
the Matter as closed - "There's many
a slip &c" but I am of the Opinion
that we will all come to terms
Meanwhile there is nothing to do
but wait.
Amalgamation still occupies the
Minds of both Companies. Our
people are afraid of the Law -
of the P.O. - We are removing
the Bug in re to the hand Crank
My experiments in making a
Pony Receiver have terminated
in an Instrument which speaks
Even louder than the hand Machine
Your Telegram of today saying
you have Completed a Pony
also gives assurance that we
have solved this Problem

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4- Things may look less gloomy when Bonvenie gets back - He is the King Pin of everything - If amalgamation takes place I shall go out entirely new people will be brought in - I shall then be ready either to come home or to take up E.L. - If that is not ready I will of course come home - My contract calls upon me to give the company 3 months notice of my intention to retire. Of course whether amalgamation takes place or not I shall give this notice (April 14th) - as I want them to decide whether or no they want me any longer - If I can meanwhile effect this reorganization & either put the Co in good financial condition thereby - or obtain satisfactory amalgamation terms I shall think my years work has

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been a fruitful one but if these things fail - it will have been a failure & that failure will have been at the hands of Spurgeon - He has not spoken to me since the Day Bourne showed him our hand - and I presume never will - I'm going to wind this thing up as soon as possible & get all out of it any honest man could expect then leave it to grow on its bottom & it will grow if not strangled now -

Yours Truly
E. H. Johnson

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My D.E.

A little note from Bouverie showing his temper as to amalgamation - It is in reply to one I sent him urging him to make haste slowly with amalgamation giving as a reason that I was informed you were again experimenting with the chalk. & that you never renewed experimentation on any line without making material advances - I told him that in my opinion the early expectations as to this frictional principle business were on the verge of being realized & I hoped that amalgamation would not meantime take place - This is his reply. The truth is we are in a financial hole - & amalgamation seems the only way out.

E H J

[ENCLOSURE]

Lickard

March 31. 88.

My dear Sir,

I have received your long & interesting letter. Edison's brain seems quite capable of getting over any practicable difficulty — just as a good fox-hunter is able to succeed

[ENCLOSURE]

or other to negotiate the
awkwardest fences - great
fun it is, doing it.
All the business reasons,
point in favour of amalgamation
or reasonable terms - I
hope Colonel Gouraud
has acceded to these - if
not - you know the proverb.
"a bird that can sing - doesn't
sing - must be made to
sing!" I feel no doubt
however, that with an
adequate amount of
pressure or persuasion
from the other side, he will
come in to the arrangement.
I am strongly convinced
that the gain (in the amalgamated
Company in profit-power &

[ENCLOSURE]

prospects - will largely exceed
the sum of their separate gains.

Yours,
Yours truly

E P Bancroft

E. H. Johnson Esq
I think the amalgamation
business has advantages for
us: that we could not honorably
back out of it - if the other side are
willing to go on - W.M.

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My Dear Edison London Apl 1st 1880

Amalgamation

This is assuming the proportions of an immediate probability I must therefore try and set before you the Pro's & Con's so as to have your approval in advance - an essential now since your representative has become an obstructionist. You must bear in mind the following points in determining what is best =

1st Two Companies multiply the already extraordinary difficulties of overcoming the prejudices of the British Public in the matter of House top & other rights of way Concessions
- As one Company they could systematise the overhead wire running and avoid the present Cut throat policy -

2nd The jealousies of the two Co's

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stand as an ever present weakness in the face of the P.O. opposition jointly they would be ably to defy that concern -

3rd Divided - Each is holding over the other the sword of Patent weakness - Neither Patent is so strong as to be absolutely sure of being sustained in a severe legal struggle -

United - Both Patents would & could be sustained - thus shutting up the Makers of both Magnets & Microphones and practically abolishing the enormous legal expenses both Co's are now incurring - true the Patent question would go on to an issue, but unopposed except by the small outside makers

4th The rates could be raised to a figure which would net a profit. not now the case -

5th Capital for conducting the business on a large scale and in a vigorous manner could easily

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be had - In fact is already assured.
Many other less important advantages
would accrue - and a more
important one than all - would
be the fact that the P.O. in dealing
Eventually, as Everyone holds it must
- with the question of purchase
would have a united body to
dicker with - not two seperate
Concerns - one of which it could
play off against the other =
It is the Opinion of Everyone
that the stock of the united Co
would immediately command
a large premium - Especially
as that of the Bell Co - is Even
now at a premium of from
30 to 60 % =
There have been several propositions
as to your share - how your
half interest in the Profits
should be provided for -
Whether in shares - in money
or in your retaining a half

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interest in the share of Profits accruing to the stock ~~of the~~ in the United Co – allotted to & held by the Edison Company – the last plan finds most favor – as it secures a permanent revenue both to you & to the shareholders I would like to have your views as to whether you would prefer to close out your interest at once – or retain it as now is – a half interest in the Profits My Opinion is that there is more money in it for you by a clean sale – even if you take shares in payment – as they will hardly fail to command a premium I enclose a memorandum from White which shows the present & most probable terms – the proportion of 115 – to 200 is had by virtue of the larger plant & superior

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11, Queen Victoria Street, E.C.
MANAGER & SECRETARY.
ARNOLD WHITE.

London 18

5 Financial position of the Bell Co
and has nothing to do with
the Value of the Patents:
They are set down in Every
Case as on an equality
If we amalgamate on this basis
Our Co. will have to raise privately
the money to pay you 15.000 £
30.000 to go on with - and about
12.000 £ to buy up Glasgow
Co you see a heavy load has
in any event to be carried -
The two Companies would go on
under some arrangement
as to Organization but the
Earnings would be Pooled -
& Dividends declared in the
proportion of 200 to Bell & 115 to
Edison - It has not yet been
fully determined how these
details would be carried
out - but of one thing you
can rest assured. Viz: That
Bouverie will consent to

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To 18

nothing that does not look
to putting our interest in a
Dividend earning position
I'll write you more fully
On this subject now by Every
Mail - as Every day opens
up some new scheme - you
can see from this Letter that
at present nothing well
defined has been agreed upon

Yours Truly E. H. Johnson

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My D. E.

Disperiting -

The Bell Co called upon Bramble - One of Englands great Q.C.'s for an Opinion as to the Validity of your Telephone Patent - & they got it - as follows =

"The question of Novelty is not involved - It is simply a question of the drawing of the patent - ie - are all the things therein claimed sufficiently described = I hold not - therefore pronounce the Patent Bad"

This has hit our people hard - in the face of our own Q.C.'s weak Opinion to the Contrary

Yours Johnson

MANAGER & SECRETARY.
ARNOLD WHITE.

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.

London 1st April 1880

My dear Johnson,

With regard to your letter of 19 date, asking me as to amalgamation, I do not like much that is in the proposed scheme, which I hereinafter set forth. But as life is made up of compromises, and as we are not in a position to dictate terms, my common sense tells me that Bonvoie has taken the right course in the interests of Mr Edison & the shareholders.

The great mistake we made in founding the Company, was in raising far too little money in the first instance. When we found we wanted more, the patent suit and the P.O. case cropped up. & while the Board persist in disclosing to intending investors the true facts of the case, no money can be got from the public, especially as it is the opposition, and not we who have the financial standing in the U. States. Before entering my remarks upon the

financial state of the case. I may say that we are on our last legs, & that however undesirable something must be done.

There is however one qualification to the "something" - & that is that the Chairman & his responsible advisers were determined that the whole thing might go to blazes before they acceded from the honourable understanding with Mr Edison to the effect that his name and interest should be maintained under all circumstances.

The negotiations which have been going on for a month past have taken the following form -

The name to be "The United Telephone Co. Lim." (Bell & Edison patents)

Nothing to be asked from the public under existing circumstances

The Edison & Bell shareholders to exchange their existing shares for shares in the new company in the proportion of

Bell 200
Edison 115

= No money to pass.
= Joint Chairman to be Bonwick & Brand.
=

It is also proposed to maintain our existing arrangement with Mr Edison as if the thing is going to pay, his half share in the profits should be reserved to him. If it is not he will have had his advanced royalties.

No money will pass between the Companies: they shall have to raise £30,000 for working expenses £20,000 for first instalment to Mr Edison. Both these sums must be raised privately among our friends.

There is much in this I don't like, and did not effect. But the alternative is not satisfactory, on the whole, I shd give my vote in favour of the proposed arrangement.

Yours
Fred White

MANAGER & SECRETARY.
ARNOLD WHITE.

The Edison Telephone Company of London, Limited.
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11, Queen Victoria Street, E.C.

London 2nd April 1880

PS

With regard to the financial part of my letter of yesterday, please remember that if amalgamation goes on we must raise as our proportion of working expenses, the sum of £30,000 for the Glasgow Company we must raise £19,000, for Mr. Edison we must raise £10,000 making a total of £59,000, to be raised privately.

If amalgamation does not go on I do not think we shall get £10,000 from people already interested. We have spent £38,000, and only have £2,000 left.

AW

MANAGER & SECRETARY.
ARNOLD WHITE.

The Edison Telephone Company of London Limited.
Mansion House Chambers.
Rooms No 113.
11, Queen Victoria Street, E.C.

London 3rd April 88

My dear Johnson,

Continuing my letter of yesterday I may now inform you, as I have already done in conversation, that the process through which we have passed during the present attempt to reorganize the Company, has revealed the fact that the clause providing for a reservation of half the good will to Edison, to on the expiry of the patents, now prevent us from getting bonâ fide investors to join us.

The reason is at once apparent. In order to maintain Mr Edison's ~~shadowy~~ rights in this respect, it is necessary to maintain the skeleton of the Company in order to hold the existing shares of the present holders. This will of course debar them – the holders – from realisation of their shares in case of death or emergency, & now handicap them with a crushing weight in

comparison with the "Bell" holders in the new company.

I much regret the necessity of troubling you or Mr Edison about this matter, but the company is now in so critical a condition, that prompt help in this matter is essential.

I need not point out that in the original agreement the goodwill referred to the E. C. district of London. It was only by inadvertence that the clause was not omitted, by arrangement of course — in the agreement now being prepared.

Yours truly

Arthur Mute

Read with pleasure

T. A. EDISON,

Menlo Park, N. J., Apl 30 1880.

Menlo Park London

I think we should be satisfied with five to capital ten, onerous Contracts, are decididly unsafe,

18 Menlo Park Apl 30

310 [illegible]

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

A. R. BREWER, Sec'y. NORVIN GREEN, President.

Dated Cable 4/3 1880
10 4 PM

Received at

To Edison
Menlo park N.J.

Have you consented giving capital five per cent more than half profits that is if profits are fifteen capital gets ten you five this is too much concession we agree on all points but this I am willing capital have five preference you having next five answer immediately

Gouraud
53 Paris

READ THE NOTICE AT THE TOP.

NP

Cable

Apl 5 1880
1020 P.M.

Edison Menlo Park

No regretfully inwill

5 paid Via London

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Mansion House Chambers,
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MANAGER & SECRETARY.
ARNOLD WHITE.

Lond Apl 5th 1880

My Dr Edison

Since writing the 1st Letter Enclosed I have learned several things which alter the face of affairs 1st Bouverie stipulated for 5% of the Capital of the Co before any division was had with you — I consented: When Gouraud & Waterhouse Came together it transpired that the Company held this 5% to be a sort of 1st Mortgage on the earnings under any & all circumstances, that is to say if 7% was earned the 5% was 1st deducted & then the 2% was divided with you — Gouraud held — and I so understood it in the 1st place — that you simply guaranteed the Co 5% — thus if 7% was earned the Co got 5% & you got the remaining 2% or in case 10% was earned Each got 5% — or in case 12% was

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MANAGER & SECRETARY.
ARNOLD WHITE.

earned each got 6% = But it seems such was not Bouverie's intention - it was simply that the Co was to have 5% first & then a division was to be made. Thus if the earnings were 12% the Co get 5 + 3½% or 8½% & you get 3½% It is an important point - and my understanding of it has need Mr Bouverie's consideration = with this result =

It seems that a clause giving you a reversionary interest in the Good Will upon the expiration of the Patents was inadvertently left in the new contract & made thereby to apply to all England instead as originally intended - only to Each Circle of London - The working of this clause is this =

In the proposed Amalgamation with the Bell Company we

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hope compelled by the London to keep up our Organization = and to do so. Every shareholder in the Edison Co - will be obliged to permanently hold his stock - that is to say - he cannot sell or otherwise dispose of it: while the shareholders in the Bell Co may do as they please with that allotted to them = thus obtaining an immense advantage over the Edison Co = under these circumstances the Edison Co will find it difficult, if not impossible to induce capitalists to put in any money -

What is proposed is that in consideration of the Co waiving this construction of the 5 to clause - you waive your reversionary right to the Good Will = the Co will then be at full liberty to make such final arrangements with the amalgamated Co - as may

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London 18

Seem most advantageous
if you will have only secured
the shadow, for the substance
for it is very ~~[illegible]~~
problematical - whether your
good will at the expiration
of the Patent will be worth as
much as the proper division
of the Earnings meantime =

Mourand has telegraphed you
as to your understanding
of this 5th Clause (thereby
giving the Lie to his Cable to
you saying that he had closed
with Bouverie - and confirming
my Cable to you saying that he
had not) I hope you will not
make any reply which will
prevent me from making
this trade of one concession
for another = at all events
As soon as you get this
Letter Cable me - as follows

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London 18

5 Rhnos London -
Mutual Concession Satisfactory

By which I will understand that you waive the Good Will Clause - if the Company waive their interpretation of the 5% Clause -

If this matter was in my hands - I could close the whole thing up in a fortnight & there would be but one Telephone Co in England -

Am glad to hear from Batch - that E.L. is still progressing = Improvement in Generators very satisfactory & interesting Keep me posted on this subject

Yours as Ever -

E. J. Phelps

V

No 1

S.S. City of Chester
6. Lombard Street, E.C.
London 6th April 1880

CABLE ADDRESS,
"GOURAUD, LONDON."

T. A. Edison Esq
Menlo Park
New Jersey

Dear Edison,

I cabled you some time since in the affirmative in reply to your enquiry as to whether I had closed with Bouverie on the new basis. The Parliamentary Elections and the consequent absence of all the Directors from town so upset everything that the agreement has not yet been finally executed – indeed I did not get the final draft of it until a day or two ago when I found to my astonishment that it contained an alteration in the clause concerning the dividend to the share capital by which it provided that they were to have 5 o/o more than you under all circumstances. In the first draft submitted to me it was quite clear that only the usual preference dividend was contemplated but there being some

Ambiguity I undertook to make it clear when they returned it to me made clear quite the other way giving me to understand that that was what you had given your assent to. This concession was so enormous that I did not feel disposed to take anybody's word for it & so cabled you as follows:—

"Have you consented giving capital
"5 per cent more than half profits
"that is if profits are fifteen capital
"gets ten you five. This is too much
"concession: we agree on all points
"but this. I am willing capital have
"five preference you having next five
"Answer immediately"

to which I have your reply as follows:—

"I think we should be satisfied
"with five: to capital ten. Onerous
"contracts are decidedly unsafe"

You make it so very evident to me that you wish to make all these concessions that I have to choose between following your wishes and my own and I have chosen the former and have today returned to Mr Waterhouse the final draft of the agreement approved in the above terms

I cannot but feel that it is most

3. unfortunate that you should have allowed any direct communication with you chiefly in this matter for they must inevitably complicate matters and compromise my position towards you and of course leaving me at an entire disadvantage with the opposite parties in the negotiations if they have the feeling that they would go to you if they could not get what they wanted from me. I have so far as possible endeavoured to make them understand that I am satisfied from ~~you~~ my correspondence with you that you have not intended to ignore me in any wise nor that you would make any agreement over my head which I am afraid they had thought you would. However we may consider the thing settled now and I trust to the advantage of all concerned – But we have given an enormous concession there can be no doubt – As to the expediency or the necessity of giving it there may be two opinions but you are evidently satisfied and this is the most important consideration – If I have erred it is on the side of getting too much for you for the Patent – a fault hardly redeemable.

I shall hope in a day or two to have the final execution of the agreement the

4

only alteration being in the dates of the notes which I have provided shall be due as follows £5000 on June 30th £5000 December 31st and that they shall be executed at the time of the signing of the Agreement

Please advise me by return if you would like your share of these notes discounted or if I shall hold them for you until they become due – They could probably be easily negotiated at about the current rate

Yours truly

G. F. Murray

Mr. Geo. Hall & Co.
Montreal

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MANAGER & SECRETARY.
ARNOLD WHITE.

London Apl 8th 1880.

My Dr Edison

A note from J S Morgan enclosing Check for 200 £ "from our New York friends" tells its own tale although no other clue to its meaning is had - No man but you could be sending me money - Please therefore accept my hearty thanks - I presume of course it is on your side of the Motograph & the W. Union - By the Bye - What have you done with them in regard to its Telephonic application? If they don't take it up before I come back I'll make it my business to open their eyes to its merits

I enclose a spicy Telephone article from a Glasgow paper

We have over 200 Telephones out in London & it happens sometimes that not a single Complaint is recd for days -

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This is a strong Commentary on both the practicability & the Chalk - and the Character of my Engineering - If we only had our Monetary difficulties settled & I could launch out a little bolder we would henceforth make tremendous progress - It is the first few hundred which constitute the basis of an Exchange that are difficult to get.

However things are working out O.K. It only needs that you keep a tight rein on your Rep. here & coerce him into good behaviour

Yours as usual

E.

4.

MANAGER & SECRETARY.
ARNOLD WHITE.

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms No 113.
11, Queen Victoria Street, E.C.

London April 8th 1880

T. A. Edison Esq.
Menlo Park, New York, U.S.A.

Dear Sir,

With reference to your letter of March 25th stating that you have shipped fifty telephones on account of Mr Gourand's order of five hundred, please note that in consequence of the large excess of instruments now on hand over our requirements, that the rest of this order need not be executed.

I am, Dear Sir,
Yours faithfully,
Arnold White
Manager & Secretary.

Recd Apr 21. 1880

77 1/2
38
53
77
134 7.

4) 500
125

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

#1

Dated N.Y. April 8 188 0

Received at 802 Rm

T. Edison Menlo Park N.J.

Many thanks
old man

Johnson
London

6 paid
ccs of

READ THE NOTICE AT THE TOP.

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.
London 188

MANAGER & SECRETARY.
ARNOLD WHITE.

My Dr Edison

The remaining Instruments on the 1st Order for 500 - which Gouraud has paid you for do not seem to be coming forward. I am specially desirous that you should close this Contract up at once. Please give it your personal attention & notify me by cable that they have all been shipped -
Then have Carmen make up a statement of Gouraud's a/c. Closing it up with the final shipment of these Inst.
There B reasons

Yours Truly

E. H. J.

m/ Jim Seymour
Noans

London. April 11/80

Dear Mr. Edison

I have not forgotten your kindness in lending me the fifty dollars just before I left, and for which I gave my note for three months. I have saved enough to more than pay you but when you see my position I dont think you will object to extending my note for two months. My reason for asking this favor of you is. This Co. is like a ship without a commander and from what I can learn their finances are in a very bad state

so I want to be on the safe side, and as I have money enough to come home at any time, I think it is my policy to keep it by me and then I can be at ease should things come to the worst. I am heartily sorry that things are not going better over here, because the more I have to do with this telephone the more I am convinced that it is the best in existance and with proper managment could be made to uproot all opposition. This Co. pays about three prices for every thing and it would take the bank of England to keep it going at the rate it is going now. We have hardly two hundred subscribers the Bell has eight hundred. We have five exchanges three within a radius of half a mile. While the Bell has only two, one in the City and one in the West End. I only wish you could drop in on us and run this place for about one month, I know there would be a reform worked in very short order. I have said considerable in this short letter and left a good deal for you to infer but am not sorry because I think you ought to

know. I will keep my father posted and he will tell you all. Gregory has been sent to Glasgow and is in the employ of the Glasgow company. Since I have been here I have been repairing broken instruments when I have not been busy with chalks and have had plenty to do. I like London very much and so far as I am concerned every thing is going all O.K. Trusting that any information I may send home will not return. I am as ever Yours Truly.

Jim. Seymour.

The Edison Telephone Company of London Limited.
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ARNOLD WHITE.

London 13th April 1880

My dear Johnson

The bare mention of the fact that yesterday at 5·30 pm, a writ was served on the Company ex parte W. Butcher, will convey to your mind the position in which Gouraud's dealings with that worthy, an ex-convict of Newgate, have placed the Company.

At this juncture a suit at Butcher's instance is deplorable. All the trouble might have been saved by the exercise of so little discretion on Gouraud's part. I cannot think that he will be exonerated from the consequences of his own acts.

Yours
Imola Mule

Walker No. 1 Pointing
Bar
Clean cut over
one of our Track
structures with
dead wires
across Cast-Pole
by [illegible]
[illegible]

Photographed April 13, 80
A. Hewitt
Fogelman

Confidential

Sir,

The serious nature of the proceedings instituted by the Government against this Company, combined with the heavy cost caused by competition with the Telephone Company Limited and the expense and friction occasioned by the existence of two Exchange Systems within a short distance of each other have induced the Directors of the Edison Telephone Company of London, Limited to enter into negociations with the Directors of the rival Company, with the view of arranging an alliance between the respective interests.

The negociations having culminated in a definite proposition which, with the exception of some minor details, has been virtually agreed on by both sides, I am

am instructed by my Board to inform you, that an Extraordinary General Meeting will shortly be summoned, at which resolutions embodying the arrangements above set forth, will be submitted for rat-ification to the Shareholders.

Without entering minutely into detail, I am to state that the new Company will begin operations with a paid up Capital of £315,000 of which £115,000 will be reserved to the Shareholders of the Edison Telephone Company of London Limited, and £200,000 to the Shareholders of the Telephone Company Limited. The favourable nature of the arrangement will at once be apparent to you, especially when the impulse to business, which may reasonably be

expected by a removal of an obstructive competitor is taken into consideration.

It is also contemplated by the Board, to seize the opportunity here presented, so to modify the arrangement subsisting between Mr Edison and the Company as to enable the Company to liquidate and to merge its existence in that of the United Company and for that purpose it will be necessary not only to call up the amount outstanding on the existing issue of £40,000, but to raise a further sum of £15,000. It has therefore been determined to offer at par to the existing shareholders

Shares, of which £ will be paid on allotment. Should the Shareholders decline to take up this new issue, it will

be offered at a premium privately to others.

You will find herewith notice of call of shares, and a form of request, which in the event of your desire to take shares in the new issue, you will be good enough to fill up, sign and return to the Secretary.

April 16 1880

(Draft)
Circular to
Shareholders

The Edison Telephone Company of London, Limited.
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.

MANAGER & SECRETARY.
ARNOLD WHITE.

London April 17th 1880

My Dr Edison

Mr is drawing out today the new contract for your signature. A copy has just been handed me to forward you with my comments. It is too late for me to do so today & I am to give you a proper view of the situation. I will therefore write you fully tomorrow Sunday. Don't sign or do anything until you get my letter. Yours

EW

Union Club,
Fifth Avenue & 21st Street,

Apl 19th. 1880

Dear Sir

I beg to enclose 2 letters of introduction which I have the pleasure of bearing to himself & Mr Batchelor from my mutual friend Mr Johnson.

I propose to come out and see you on Tuesday next. leaving

Will call at 11. a.m.
& returning from Menlo
Park at 2 PM.

Should this not
suit you, kindly write
me to the Hotel
Brunswick 5th Avenue,
and I will arrange
as you may request.

Yours very truly
M. L. Moore

T. A. Edison Esq.
etc etc.

[ENCLOSURE]

The Edison Telephone Company of London, Limited.
Mansion House Chambers,
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MANAGER & SECRETARY.
ARNOLD WHITE.

London March 28th 1880.

My Dear Edison

This will introduce Mr M M Moore an American of long residence in this Country - & the promoter of the Edison Telephone Co of Glasgow. You may talk to him with perfect freedom. He can throw much light on the conduct of that enterprize as well as upon yours in regard to Telephone matters generally.

Of course you will extend to him the courtesies of your establishment.

Yours

S. W. Johnson

The Edison Telephone Company of London, Limited.
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London Apl 19th 1880

My Dear Edison

The enclosed is the agreement embodying the terms of the understanding had between Mr Bouverie & myself, and which you compelled Gouraud to accept. It has been somewhat changed in its details by Waterhouse & Gouraud - but is essentially what I agreed to in all but one or two particulars.

I did not understand that the 5% guarantee to the Shareholders was to operate in the way they have made it, & which you have assented to. My Idea was that the Shareholders were to get 5% then you 5% or as near it as the earnings over & above the 1st 5. would yield - after which there was to be an equal division thus for example If 7% was earned the division was 6 5. Edison 2 - or if

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12% was earned – the London Co & yr Co = ~~[illegible]~~ & Co & Co = However all this has been knocked in the head by the rapid progress of Amalgamation negotiations =

Another point & to my mind more important is the terms the London Co are offering to the Glasgow Co viz: Shares or cash at the option of the London Co = This means – that if the Shares of the Edison Co become (by virtue of amalgamation with the Bell Co or otherwise) worth more than Par – the London Co will pay the Glasgow Co in cash = thus giving them £ for £ of money invested & shutting them off from any chance of profit = I have said that this is contrary to your spirit – which is to give every man a chance to get out with a profit = and I promised Moore – whom you have probably seen ere this = that I would do all in my power to help him & his

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London 18

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Friends not only to get their money back, but to get it back with a profit: If the Clause read "Cash or Shares at the Option of the Glasgow Co = It would guarantee the Glasgow Co the same chance of Profit as ~~the to~~ you give the London Co = Think about this before you sign & If you agree with me Telegraph Bouverie my Care - What you desire - My notion is that Yousand rather winked at this hard transaction of the Glasgow purchase - because of their treatment of him individually - If you think to give London Shares for Glasgow Shares is giving the Glasgow Co too much - in view of their too little display of Vigor in planting the Thing What do you say to some intermediate terms such for instance as giving the London Company the

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ARNOLD WHITE.

London, 18

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Option to pay them in Shares or in Cash, adding in the latter case 10% as a Profit Margin = Perhaps it might be well for you to feel Moore a little on this head = However I leave it to you to decide -

Now in respect to the Reversionary Interests which I alluded to in my last Letter = You will observe that no mention is made of them in this Contract = That is because G. pre-emptorily declines to listen to the proposition made by Bouverie (Weeks hence he will say he made it to Bouverie) -

When you get my Letter & Cable back that you are prepared to accept 10,000£ in Shares of the United Company for your deferred Royalties & Good Will - if you do so Cable = then a supplemental

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London 18

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Agreement will be sent you direct by the Company for your signature without further consultation with Gouraud - I have reason to believe that he considers the amount proffered a liberal one - but with him there is a much more important consideration viz = His voting & representative power for you = You will see that in case you sell outright your reversionary interests you have no longer any use for a representative director = This is the stumbling block = Looking at it from your point of view - the conundrum is this =

Is 10.000 £ shares of a united Telephone Co of Great Britain a fair valuation of my future expectations in the matter of Deferred Royalties - Post office Purchase &c &c = If so = had I not better take the Bird in hand? = In respect

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London 18

to the possible Post Office purchase
of course you would share in it
in any event if you ~~[illegible]~~
held your 1000 Shares =
the aim of the company is to free
their decks for action in the matter
of raising money - at present they
are in a bad fix in this respect =
the last Board meeting ordered
me to reduce expenses to a minimum
- not to undertake anything not
already contracted for - and to reduce
my line force to just sufficient
to execute orders in hand = this I
hold to be a death blow = but as
I am assured amalgamation is
practically agreed to on both sides
of course I see it would be
folly for us to go on spending
money - every penny of which
additional expenditure operates
to just so much reduce the margin
of profit - the sum total to be
paid being already agreed upon

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ARNOLD WHITE.

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London 18

– You will see that if by any slip Amalgamation should fail – we will have lost so much ground as to be left far in arrears –
Of course your acceptance of the 10,000£ shares of the United Co is not essential to amalgamation – that will take place any way – the only difference being that the skeleton of the Edison Co will be kept up in order to fulfill the terms of their contract with you in respect of Deferred Royalties &c
It is somewhat difficult to decide which is the most advantageous to you – but knowing you believe in a clean sweep – & firmly believing in it myself – I concluded that 10,000£ shares in a united Edison Bell Co – which in all human probability will immediately command a premium – was a more desirable
(which you might hold or sell at your pleasure)

The Edison Telephone Company of London, Limited.
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.
MANAGER & SECRETARY.
ARNOLD WHITE.

London 18

8

property - than a remote contingency such as is your Royalty Interest - only effective as a dividend paying property - after an Edison Company's holdings of the same shares shall have earned the amount already paid you as advanced Royalties -

What do you think?

I enclose a note I had from White in regard to the Butcher suit - this is nasty business & added to present complications I am afraid bodes ill to us - However time alone will tell. Yours and claims to have an abundance of evidence of the Bad character of this man - Whether that will clear him of the consequences of having signed a contract with the bad one or not is another matter -

"Give us a Rest"?

Yes certainly!

Yours on the old line

S. P. Johnson

No 3

S.S. Adriatic

6, Lombard Street, E.C.

London 20th April 1880

"CABLE ADDRESS, COURAUD, LONDON."

Thos Alva Edison Esq
Menlo Park
New Jersey U.S.A.

Dear Edison,

Further Agreement between Yourself and the Edison Telephone Coy of London

When I cabled you that I had accepted Bowonies terms I referred to the terms as I understood they had been communicated to you and to cover all point that had been subject to discussion up to that time but when after several weeks with Board Meetings (owing to the absence of several members of the Board who were standing for Parliament) we, on the 16th inst, had a meeting when several entirely new subjects were broached and a "dead set" was made at me by all the Directors to get me to accept them in your behalf.

The three further modifications thus attempted to be obtained were.

1st The elimination of Article 20 Agmt 14th July
2nd do 22 do
3rd That I should consent to take on the paid up capital of a proposed

No. 93. p. 7
T. A. B.

amalgamated Company of the Bell & Edison interests share to the amount of £10000 in full liquidation of your reversion — that is that you should have nothing more out of it no matter what the Company made.

As regards this last demand I resolutely objected as there was no reason given for the request other than that it would make easier the amalgamation with the Bell Company and no one could give a single substantial reason for this assumption as the basis of the proposed amalgamation is of such a character as it cannot be the slightest concern to the Bell people what the Edison Company gives you or whether you hold your reversion under the several agreements or cancel it by the acceptance of shares. As they must have known that the position that they assumed was utterly untenable, and they quickly abandoned it, when they saw I was determined that the question of the value of your reversion should not enter into the "further agreement"

As to Articles 20 & 22 they both become inoperative in the event of the amalgamation with the Bell Company. Were it not a question of amalgamation, or an active competition, which must sooner or later end in amalgamation, it would be an enormous

No 1 p.8
T.A.C.

concession to make especially to give up Article No 22 and until amalgamation was absolutely certain I did not feel that I could consent on your behalf to so important a concession. I consequently agreed to submit the agreement in the form in which I now send it to you on parchment and to assent to the same provided you did. I do this now with less hesitation because of my further information as to the status of negotiations for amalgamation which has been practically reached so far as the two Boards are concerned and remains only to be ratified by the Shareholders of the two Companies

Now what I want you to understand is that if amalgamation comes off the giving up your rights under Article 22 of the agreement of 14th July '79 is of no consequence but if amalgamation does not come off they are

Together with this statement I would give you my opinion that there is scarcely the slightest doubt that the Shareholders will accept the recommendations of the Directors Therefore you will use your discretion as to taking that chance and if you choose to take it and approve the rest of the Articles you will be good enough to execute the parchment copy in the usual way before Notary and have notarial certificate witnessed before British Consul General and return to me at your earliest convenience. If you execute it as it

No 3 Pt 1 Ca 16

is please cable me two words: "Agreement" followed by the name of the steamer by which it is routed

I remain, Dear Edison

Yours very truly

[illegible]

No 6

S.S. Adriatic

Cable Address "GOURAUD, LONDON."

6 Lombard Street, E.C.

London 20th April 1880

Thos. A. Edison Esq
Menlo Park
New Jersey.

Dear Edison

In connection with the annexed notification (which kindly sign and return to me with the further agreement) concerning the amalgamation of the London & Glasgow Companies I have to say that the shareholders of the latter at a recent meeting had before them a general proposition of amalgamation with the London Company which was extremely well received and a resolution was passed authorizing the Board to carry out such amalgamation on terms such as they (the Board) might approve.

I understand that it is the wish of the Board to amalgamate and that the terms are satisfactory. You will observe in the terms that it is provided that they shall meet all their liabilities which includes the second £5000 due you and they will simply hold shares in the London Co instead of in the Glasgow Co — thus all complications will be at an end on this score

Yours truly
G. Gouraud

No 4

L'Aarate

6. Lombard Street E.C.

CABLE ADDRESS.
"GOURAUD, LONDON."

London 20th April 1880

Thos A. Edison Esq
Menlo Park
New Jersey U.S.A.

Dear Edison,

Amalgamation with the Bell Co.

I send you memorandum of the basis proposed for amalgamation of the Edison & Bell interests as reached by the committee of the two Companies appointed for the purpose. It has received the approval of the Directors of the two Companies and it is understood that it will be submitted to the shareholders for confirmation.

I cannot say that I like the propositions nor that I think them what they ought to be but all things considered it is believed by Mr Bouverie and the other Directors better than the alternative i.e. an expensive and uncertain litigation for which we are not prepared.

The only communication I have ever received from you on the subject of amalgamation was one which intimated that you were very much opposed to it but that letter was dated prior to Mr Johnsons visit to America and he has assured me that you are very anxious to have the two companies amalgamated.

No 4 p.2
T.A.G.

I should be glad to have your views upon this proposed basis before the meeting of the Shareholders comes off.

Yours very truly

[illegible]

The following is the Memo. laid before the Board of the Comps.

Conditions on which the Bell and Edison Companies will amalgamate

Title — The United Telephone Company (Limited)
Bell & Edisons Patents

Capital — £500,000 in 100,000 shares of £5
Divided thus — Existing issue to counts £315,000
fully paid up
of which to be accounted to Bell £200,000
to Edison 115,000

The allocation of shares to be the consideration for the purchase by the United Company of all the patents plant machinery, Goodwill, licences property and rights whatsoever to be brought in unreservedly. Together with the improvements of the said several Patents and machinery from time to time devised by Messrs Bell & Edison.

Out of such allocation of shares each company shall satisfy and discharge as against the other and the United Company every cost and liability incurred or to be incurred by them respectively up to the fusion

No 4 p3 F.A.S. 06.05 Appendix

Balance of capital not appropriated as above - £185,000 — £85,000 to be subscribed by the Companies respectively for the extension of the business and working company of which the Bell shall provide £55,000 and the Edison shall provide 30,000. The remaining £100,000 to be reserved for future requirements

Board. The two existing Boards to be amalgamated forming a Board of 12 members to be reduced by death or resignation to 8 or 6

Chairman James Brand Esq

Deputy " Rt. Hon. E. P. Bouverie

Secretary Mr Arnold White

on such terms and conditions as the Board of the new Company may determine

New Board to act for one year after which one third to retire being eligible for re-election

Qualifications 200 shares of £5.

Remuneration of Board £1500 to be allocated as the Board may agree.

In addition to the above [ ] % of the net profit after paying 10 per cent to the shareholders and 5 per cent to a reserve fund.

(As agreed at Committee 19th March, 1880 & subject to confirmation of Board

No 5

S.S. Adriatic

6. Lombard Street, E.C.

London 20th April 1880

CABLE ADDRESS.
"GOURAUD, LONDON."

Thos A. Edison Esq
Menlo Park
New Jersey U.S.A.

My Dear Edison,

Having regard to the probable early future of the telephone question here and the certain large premium at which the Consolidated Interests will be saleable in the market and consequently the relative value of our reversion interest in the same and also having regard to the fact that there are several parties interested with you in the matter besides Johnson and myself all of which involves more or less intricate book keeping. It has occurred to me that it would be very desirable to have these interests in such a form as to enable them to be represented by some form of negotiable certificate so that not only could we put an end to all existing agreements with respect to these different interests and close up the accounts in our respective books but either of the parties interested wishing to either increase by purchase or decrease by sale his interest at any time could do so more easily and inexpensively do so. I have accordingly taken advice as to how this could be done and

No. 1 62
9.11

there are thousands of precedents and one which would involve no complication whatever and very insignificant expense

Here in this country in the face of our agreement so explicit and threatened litigation and the open admission at least on their part that what they use is not a Bell telephone and with all the evidence we have that their transmitter they use is an Edison Telephone - their shares are selling at present at between £400 & £600 per cent taking the average of this at £500 and if the shares of the Amalgamated Company are worth no more which is scarcely possible (they should be worth double and probably will) but taking at £500 a share the £115,000 shares in the Treasury of the Edison Company would be worth £575,000. Now at that same premium the Edison Company would have only to call £115000 to recoup all the advance royalties paid to you plus a like sum plus 5% interest on both (say £75,000) and then after selling another £17400 to recoup them the amount of what their capital will probably cost £7000. They would then have £82,600 shares which at the above price would realize £412,000 to divide equally between the shareholders and yourself

Now in the light of these facts it would be simply dishonest to ask you much less to persuade you to take £10,000 in shares when there can be no other reason for it than a desire to prevent your making anything further if possible

I think you are not likely to hear anything

No 5/23
R.d.

the means are found to be very simple and are contained in the Deed of Trust which I send you herewith and which I hope will meet with your approval. The Trustees certificates under this deed would in the event of the Telephone Companies shares being at a premium be as readily negotiable as the shares themselves.

I have proposed Mr A. G. Renshaw as the Trustee he having been our Solicitor in all these negotiations and being conversant with all the circumstances of the case besides being a lawyer of high professional and social position.

The expense of the Trust would be most nominal in fact the Trustees compensation can be arranged on the basis of a fee for transfer. In fact if this were done already I could at this moment sell a portion of your or my interest or that of anybody else concerned at a price which shows the absurdity of suggesting that you should be content with merely £10000 in the shares of the Amalgamated Coy. I could at this moment dispose of a portion of your interest upon the basis representing the value of the whole as equal to £50000.

The only alternative to your taking shares in the New Coy would be the simple necessity of keeping the present Company alive for the purpose of working out the agreement with you in which case the only asset of the present Coy would be the shares of the Amalgamated Company a course for which

further of that suggestion as when I placed it before those who originated it in its true light I observed that it was quietly dropped

Why! I would not think of taking twice £100-00 for my interest alone at this moment with all the uncertainties of the future!

When you have executed the proposed ~~the proposed~~ Trust and the various parties have to represent their interest the proposed certificates then of course any request that you should capitalize your reversion you could easily meet so far as you are concerned by dealing with your own portion as you might please leaving the others interested to do likewise

You will observe in the Deed that I have provided for the remote, so far as I can see the almost impossible, contingency ever arising of having to refer to the parties interested as in the present state of affairs the only thing the trustees would have to do would be to receive and pay dividends – In the event of any difficulty arising you and I would always control the action of the trustee by our larger interests

Yours truly

[illegible]

This arrangement would also be of great importance in case of the death of any of the parties interested

[COPY FOLLOWS]

London. 17 Moorgate St.
April 21. 80.

My Dear Sir,

The amended form of agreement is gone to you, four days since - which will place the relations between yourself & the Edison C. of London, & the parties necessary to enable the latter to join interests with the Bell Co. Which certainly is an operation likely to conduce materially to the advantage of both Companies

[COPY FOLLOWS]

all other interested parties.
I understand that the terms of the proposed agreement will prove quite acceptable to yourself - & that, therefore, the proposal under of the two Companies (the terms of which, you have doubtless been made aware of -) will go forward without delay.
There is yet a further point to be considered.
Under this new agreement, you will still have a claim, when the advanced Royalties are repaid, in the event of the various properties proving profitable - to the share of the profits which then will come to be divided between you & the Edison Co.

I have had some talk with Mr. Johnson on this subject. There can be no doubt that it is desirable to close up the Edison Co. whose business is only likely to be expensive & embarrassing & embrace this contingent Division to take place.

We are told that that the prospect of such a division is remote & not worth regarding as a matter of pecuniary value to estimate.

[COPY FOLLOWS]

but the maintenance of the Edison Company will be a decided hindrance to the success of the investors in its shares — as these shares will not be available for ready sale or purchase as the shares of the Limited Company would be, which ~~they~~ the Edison Co. will have to hold as their property. If the Edison Co. can be consolidated, then the Limited Co's shares falling to them — can be divided ratably among the shareholders of the former — & the whole of the original transaction will be closed.

I am anxious, therefore, that you should consult first with your interest in the possible profits of the Edison Co. subsequent to the repayment of the advanced Royalties: & the advantage of thus closing up everything seems to me so considerable — that I agreed with Johnson, (when a much smaller sum was named — & he said he would leave it to me — to say in your interest whether (fair) to put it at 10.000 in cash or shares of the new Limited Co, at our option.

I hope you will adopt this view: I think it will prove advantageous to you. Yours to

[COPY FOLLOWS]

the Edison Company.
In that case, possibly, you might prefer to take the payment in shares. But in cash I should you make this a condition. I would not guarantee it.
All persons concerned are much pleased at the prospect of the union which will make a very powerful combination. Enable us, I think to fight the Post Office authorities with success.
Let me take this opportunity of thanking you for your previous letter as well as for the verbal communications which I have received from time to time thro' Mr. Johnson from you. Our relations have been invariably of a character, which has made me feel a great satisfaction in my connection with you and of your remarkable inventions.

Ever
yours truly
E. H. Bouvier

T. A. Edison Esq

[COPY]

Bouverie 1

17 Moorgate St.
London Apl 21, 1880

My dear Sir

The amended form of agreement is gone to you four days since which will place the relations between yourself and the Edison Co of London on the footing necessary and enable the latter to join interests with the Bell Co which certainly is an operation likely to conduce materially to the advantage of both companies and all other interested parties I understand that the terms of the proposed agreement will prove quite acceptable to yourself and that therefore the proposed union of the two Companies (the terms of which you have doubtless been made aware of) will go forward without delay. There is yet a further point to be considered. Under this new agreement you will still have a claim (?) when the advanced royalties are repaid in the event of the union proving profitable to the share of the profits which then will come to be divided between you and the Edison Co. I have had some talk with Mr Johnson on this subject There can be no doubt that it is desirable to close up the Edison Co, whose existence is only likely to be required to endure to enable this contingent division to take place.

We are told that that the prospect of such a division is remote & not worth regarding as a matter of pecuniary

[COPY]

value to be estimated but the maintenance of the Edison Co will be a decided hindrance to the success of the investors in its shares - as these shares will not be available for ready sale or purchase as the shares of the Limited Company would be which the Edison Co will have to hold as their property. If the Edison Co can be wound up then the United Co's shares falling to them can be divided rateably amongst the shareholders of the former & the whole of the original transaction will be closed. I am anxious therefore that you should consent to part with your interest in the possible profits of the Edison Co subsequent to the repayment of the advanced royalties and the advantage of their closing up everything seems to me so considerable that I agreed with Johnson (when a much smaller sum was named and he said he would leave it to me to say in your interest what was fair) to put it at £10 000 in cash or shares of the new United Co at our option.

I hope you will adopt this view: I think it will prove advantageous to you & also to the Edison Co. In that case possibly you might prefer to take the payment in shares & not in cash & should you make this a condition I would not gainsay it. All persons concerned are much pleased at the prospect of the Union

[COPY]

Bouverie 5

which will make a very powerful combination & enable us I think to fight the Post Office Authorities with success. Let me take the opportunity of thanking you for your previous letter as well as the verbal communications which I have received from time to time through Mr Johnson from you. Our relations have been invariably of a character which has made me feel a great satisfaction in my connection with yourself & your remarkable invention

I am
Yours truly
(Signed) E P Bouverie

T. A. Edison Esq

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.
London

MANAGER & SECRETARY.
ARNOLD WHITE.

April 22 1880

My Dear Edison

I wrote a letter to your friends of the Times calling their attention to the character of the man Sawyer - so frequently quoted in contradiction of your opinions - I told them he was simply a loafer - or words to that effect. 3 Days later I had the pleasure of sending them corroborative Evidence to the same effect in the N.Y. Times article on the Shooting business - In the next "Times" article which appears on you - you will see some reference made to the character of your critics

You ought to give me a few lines confidential now & then as to your progress.

How goes it with you? Upwold, I understand has written you a Munchausen

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Prospectus of the Edison Tel Co - providing you do not sell your deferred interest - so you have both aspects of the case - & will be able to decide the matter for yourself. If you come to a conclusion different from mine dont hesitate on my opn to say so - My main point in reorganizing the Company is gained in the contracts which have gone out for your signature - The subsidiary points of looking to your future Dividends are of less moment - My notion is that the Co - have made you a liberal offer more to get rid of you and than to become possessors of a handle for closing up the concern - they want no more to do with him -

Bell Co's stock is at a high premium but whether it will be when

a large amount of the New Co's stock is thrown upon the market or not is another thing - In any event the question for you is - Are you likely to get 10000£ from your deft interest after the Co has repocketed the 30000£ already paid you + a 5% on this capital additional - ~~or~~ £ = Then dividing the remainder by 2 = Will half of it Equal 10.000 £ shares in the new Co immediately in hand - + saleable if you so elect - suppose we say at the present premium - about 500% ? Rose colors Eh ? - Think it out carefully & Say What you think = Bowmie will always do you justice

Yours and Sent me the Lawyers bill for preparing my contract with him = £9. 12 = about 50$ in all - just 50$ more than the same contract cost between you + I in America ? I paid it.

Yours E. G.

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ARNOLD WHITE.

London 18

P.S. I enclose a circular which is being sent out to shareholders & explains itself = White has today gone to visit the Manchester & Liverpool Boards and explain the situation to them = so that when the extraordinary General Meeting is called they will be prepared for action = You see by all this that the end of the Edison Co - as a seperate organization is at hand = I have done what I could to save it. but with such a Millstone as Geo E Gouraud tied to its neck - and all the Deep Dark & uncertain Pitfalls - in Patent suits - strong opposition - Book of drills etc etc the task has been a too herculean one - Had I had absolute power a couple of months ago - the Edison Co would have had an independent existence & Plenty of Cash today

Yours E. H. Johnson

No 7.

S.S. City of Berlin
6. Lombard Street, E.C.
London 22nd April 1880

CABLE ADDRESS.
"GOURAUD, LONDON."

Thos. A. Edison Esq
Menlo Park
New Jersey U.S.A.

My Dear Edison,

On the 9th of this month the London Company received from you a shipment of 50 instruments on account of the "first 500." They also received a letter from you stating that the A/cs would be forwarded to me.

I have never received these A/cs & write this by way of a reminder. I would suggest that you complete this order as quickly as possible so that I can close up the A/c with the Company. I believe they are between 140 & 150 instruments to come yet.

Yours truly

Geo B Gouraud
S.B.

Letter answered 1st I had sent samples and also copy of his letter to Walker and Wray with from which I received Walker reply

The Edison Telephone Company of London Limited.

Mansion House Chambers,
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11, Queen Victoria Street, E.C.

MANAGER & SECRETARY.
ARNOLD WHITE.

London Apl 24th 1880

My Dear Edison

The 25 miles of compound wire sent me is useless for the purpose I ordered it Viz: running long spans where many wires were required = It is so badly made that while in some sections it has little or no copper on it - in others it has such a heavy deposit as to make it measure fully up to a No 9 gauge this makes it impossible to use the connections sent - as the wire is either too loose, or will not go in them at all - But more important still; its uneven size produces an uneven sag in the wires which yields this result (you know we use only Poles on house tops)

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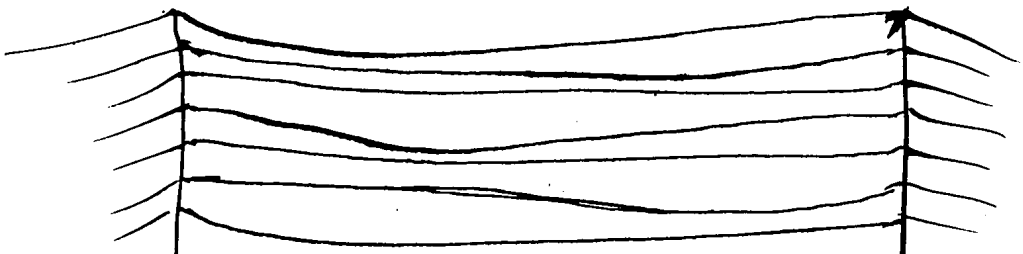
London 18



No Cross arms all wires straight up & down the Pole and absolute requirement on top of high Chimney stacks - Of course the same effect would be produced in case a No of Cross arms were used.

It is simply impossible to pull the wires up uniformly - and as this is precisely what I wanted the wire for, my object is unattained

I enclose a couple of samples.

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Mansion House Chambers,
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11, Queen Victoria Street, E.C.
MANAGER & SECRETARY.
3 ARNOLD WHITE.

London 18

cut at random from a single span, and am assured by Mr Rose that some that they put up was far worse - I have today ordered these spans taken down & iron wire substituted, as it is across an open square over which we were refused right of way - but which we finally stole across. Our space being limited I wanted to run wires very close, I could put on 15 iron, & thought to put in 20 compound but find to my disgust I can only get on 10 - This experiment of mine was being watched by the Mess Siemens & by the P.O. & the Bell Co - & its failure damns the wire & mortifies me - Is it bad work - or is this the best they can do?

Yours truly E. H. Johnson

Apl 27. 80

Edison
Menlo Park

Send Chalks first steamer
Johnson

7 London
Hoy

N.P.

Apl 27, 80

Edison
Menlo Park

Cable views my letter on
amalgamation and sale
reversionary interest
Phonos

15 London
1.27 P.M.

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.

MANAGER & SECRETARY.
ARNOLD WHITE.

London Apl 27th 1880

My Dr Edison

It has been found that Gouraud has the power to outvote the company in matters relating to amalgamation that is to say in ordinary matters a mere majority is sufficient - this the Company have - but in a matter of this importance it seems a vote of 3/4 is requisite - this was evidently slipped into the contract by Gouraud without the Company seeing its bearing - at all events they have only just run afoul of it - Its operation is to give your vote the power to stop further progress - and you may be sure Gouraud is availing himself of it - There is therefore but one thing to do viz: Make a direct appeal to you to nominate a new Director This is to be done formally by a vote of the Board today and White is to go out to see you in person in regard to it - Meantime we

(2)

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms No. 113.
11 Queen Victoria Street, E.C.
MANAGER & SECRETARY.
ARNOLD WHITE.

are at a Stand Still. In the contract which has just gone out to you will not now be signed by the company as it simply pays over to you a large sum of money without in the least leaving them at liberty to work out their own Salvation - Thus you see a still further confirmation of my Charge that Gouraud's grasping policy operates to prevent the consummation of what is today possible until tomorrow finds it impossible. It will be the same thing with this matter of Amalgamation unless you take the Bull by the Horns & displace Gouraud - The Bell co are already growing restless under the delay and it is an open question whether they will consent to allow the proffered terms to stand off to May 1st - the day fixed for final action on our part.

It is all very well to say - let amalgamation go - and go on independently - but

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What chance of success has the Concern under such circumstances - All the Zeal has been taken out of our people by a long array of unexpected obstacles - we might go on and even succeed fairly well - but what prospect would you have of ever realizing anything from such a weak Concern - It is not good policy to go against the line of action the shareholders mark out as the surest & speediest way for them to earn a profit on their investment - since by so doing they earn a profit for you also -

If Gouraud succeeds in holding things in check until the present board are frozen out I would not give you 10000 £ for the whole of your interest

The Company will ask you to nominate me as your representative on the Board - You must not

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ARNOLD WHITE.

London 18

think I want this for any other purpose than to consummate the present negotiations - Immediately they are happily closed I shall resign the position and return to America there is no longer any room for action here - it is all stagnation - & When the new company is formed you will not have sufficient direct interest in it to care whether I remain or not - It is therefore only a question of terminating the present deal - & putting 25,000 £ in our Pockets - yourself Yours and I =

You will be made fully aware of the terms & conditions of the proposed Amalgamation as well as of the financial & other difficulties of our company by White who has been, next to Bowing the most valuable instrument in promoting the success of your interests here - You should in some manner reward him - He is like myself working for a

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ARNOLD WHITE.

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living - and a thousand pounds - say of the united companies stock would be a liberal compensation - Gouraud has promised him a sum equal to this - but as he only gave a verbal promise & is now at loggerheads with him you can readily see the chance of its fulfillment are as slender as a thread of thought in a weak mind. Holmes is over here looking up anti-page patent evidence - Muirhead has been to see me - he speaks very disparagingly of your light - but cornering him after my usual fashion by boiling his generalities down to particularities I could only get out of him that your glass was very common - but that he had suggested annealing - to you!!!! - and secondly - that you were very wrong in not accrediting people on this side with having done anything = to which I retorted that

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MANAGER & SECRETARY.
ARNOLD WHITE.

6

All the evidence adduced by your bitter enemies of the English Scientific Press - showed there had been nothing done in your direction deserving of more than passing mention - One more thing - He says you are too absurd in your criticisms on mathematics & mathematicians - He tells with a sort of wilkesing smile how you button holed him on the subject - In short my Boy you are not loved over here by these fellows - You have committed the grave error of having succeeded

Mly Yours

S. P. Thompson

28th April 80

Colonel G. R. Gouraud,
6, Lombard Street, E.C.

Sir,

With regard to the accompanying extract from yesterday's minutes, I may perhaps explain that the reason why the Company will be glad to have an explicit statement of your intention with regard to the exercise of your voting power on the special resolutions involved by any amalgamation scheme being carried out, is in order to prevent the futility of such a meeting being held when the objects for which it is summoned are beforehand doomed to failure.

You will perhaps therefore be so good as to express within a reasonable time, your determination on the subject. It is most important in view of the Company's present financial position that there should be no avoidable delay, & the other side are also entitled to know specifically whether the Company can or cannot carry out the proposed arrangement.

I am, Sir,
Your obedient servant
[illegible]

[ENCLOSURE]

Extract from Minutes of Board Meeting
April 27th 1880.

The proposed agreement with the Telephone Company Limited was submitted and approved subject to the expression of Colonel Gouraud's intention to support such resolutions as may be necessary to give legal effect to the agreement by the Shareholders of the Company.

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.
MANAGER & SECRETARY.
ARNOLD WHITE.

London Apl 29th 1880

My Dr Edison

I yesterday telegraphed you asking for your views on Amalgamation & the Sale of your deferred Royalty interests as sketched in my letter of a fortnight or more ago -
I get no reply whatever - meanwhile Col Gouraud comes around and makes profuse apologies to White for former ill treatment &c &c tenders the Olive Branch in a lordly & gracious manner - White takes it all in & waits for the sequel - i.e. - What it is all for - which is soon developed by the Question .. "Now White tell me what has been done about Amalgamation" Of course White pretended to give him all the points - but didn't - as we know the Col is trying to drive a private bargain of his own - & came directly from the Bell Co to White's office - Evidently bent on palavering White into

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms No 113.
11, Queen Victoria Street, E.C.
MANAGER & SECRETARY.
ARNOLD WHITE.

2

showing the hand of ~~Lotter~~ Company
— White then said. "Now Col - as
you seem desirous of working
in harmony with us - will you
give to me personally - & thus
avoid the expense of a legal
intermediary - a definite answer
to the question as to what course
you intend to pursue with
reference to ~~your~~ amalgamation
Do you intend to vote for or
against it? = He said Certainly
I will give you a definite reply
— White then writes the Enclosed
— the reply to which will definitely
decide the matter of White's visit
to you. Hence the importance
of my cable to you — the Co are
very anxious to have an expression
of your views in the matter
in order to govern their actions
It is awkward work to
have to deal with a man
who will not act - on the One

The Edison Telephone Company of London, Limited.
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.
MANAGER & SECRETARY.
ARNOLD WHITE.

3

bound - or with London 3000 Miles away - and that at a time of such financial embarrassment as to render prompt action of vital importance If you would speak your mind freely both to Yourself and to me - it would facilitate matters wonderfully. No matter What your decisions might be - I know it is annoying to you to have to think of these things - but Damn it all If you will go on turning the world topsy turvey with your innovations on established order you must expect to bear more than one mans share of the Labor of ~~[illegible]~~ dispersing the Chaos you make -

Truly Yours

E. H. Johnson

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.
London.

MANAGER & SECRETARY.
ARNOLD WHITE.

N.B. Dunderstand Gourand wrote you that He understood from me that you were in favor of Amalgamation - This is a Damned lie - as neither he nor any man in England has ever by any possible twisting of my expressed views been able to get from me any other than the expression that you consented to Amalgamation as a concession to the people who had put their money in your invention & asked of you an endorsement of this method of getting it back with a profit - This is well understood - & Gourand simply lies when he says I represent you as in favor of Amalgamation -

Yours E. A. Johnson

W. H. Gregory

The Edison Telephone Company of Glasgow, Limited.

Manager
E. W. PEARSON.

13, Royal Exchange Square.

Glasgow May 3. 1880

Thomas A. Edison Esq.

Dear Sir.

I just received notice this P.M. with reference to my salary. The way it stands now, I suppose you think I'm a liar, and that is the reason that I want to send an explanatory letter as far as possible to clear myself. When I first arrived in London with Jim, nothing was said to me about salary. Supposed you had written to them and made it all right. I worked the first week, and when Friday Night came, stepped up for myself, and was told that they did not know who I was, that I was not rated on the Books. I was treated in a damn shabby manner, and if it had not been for the kind intervention of Col. Gourand, I would have been left in a hole. But he straightened it out for me, and I received my salary. Mr. White had never said a word to me about salary. So when the next pay day came, I received the same as Jim, and thinking that you had written to them concerning it I concluded it was all right. Nothing has been said from that day to this. Have drawn the same salary every week. So you may judge I was surprised to-day when Mr. Pearson told me. Believe me if there was any mistake made, it was not through any lying on my part. Have proved myself fully capable of performing all the work they have to do

and it is rather a downfall to go on $600. I was making more than that before I left Menlo Park. I had hoped to get more. You know when you spoke to me about salary, you said, - will $600 a year do you for the first year, I said I don't think that is quite enough, but you know best. Nothing more was said about it, therefore I had hoped you had given me more, and when I received my first payment in London, without having been asked a question I took it for granted that you had made it more that the way the case stands. In our case there is not much prospect for a raise here anyway. There are two or three down in London, getting $900, that I know cant do the work that I do.

Must close now. Hoping you will accept this explanation just as the case stands,

I remain
Your humble Servant
Wm H. Gregory
13 Royal Exchange Square
Glasgow
Scotland.

T. A. EDISON,

Menlo Park, N. J., May 5 1880.

Phonos

London

Gowlands bunt idea

good ~~[illegible]~~, investigate

with lawyer, ~~send~~ whats objections.

12. Menlo Park May 5-

1214

9 Pho

T. A. EDISON,

Menlo Park, N. J., May 5 1880.

~~Telegraph~~

Menlo-Park London

Like you trust scheme

but must Satisfy Johnson.

10 Mark Lane

12 11 G Ho

May 6 1880

Menlopark London

Agreement Adriatic

4 paid $300 by 829 in N.Y.

Alfred George Renshaw
2 Suffolk Lane
London E.C.

Sent from NY by SLG May 6, 80

Edison Gouraud
to Goddard

Edison
to McLaughlin
May 1880

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

Dated Newark. 5/ April 188 0

Received at 9.01 P.M. Recd

To Edison

Ulterior motive
debar you independent
auction trait letter
self and Gouraud
14 Hdx

Johnson London

READ THE NOTICE AT THE TOP.

The Edison Telephone Company of London, Limited.
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.
MANAGER & SECRETARY.
ARNOLD WHITE.

London May 12th 1888.

My Dear Edison

Public notice of amalgamation will be issued in a few days and as I have declined position under the new company I will be practically free - As I do not hear from you on the subject of the E.L. I conclude you are not yet ready for me. I am therefore laying my plans as follows - wind up with this Company about the 1st of June Take a short trip on the continent come back here - & take steamer for Newyork about middle of July - I presume you do not intend to do anything in England until you have started the thing in Newyork - Certainly it would not be wise to do so - beside I shall want to be a little better posted in all the various details before attempting to bring it before the Public = And further more my Wife is naturally enough very anxious

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms No. 113. 11, Queen Victoria Street, E.C.
MANAGER & SECRETARY.
ARNOLD WHITE.

to get home & see Swedish people -
so unless you have decided
reasons for wishing me to
begin Operations here Immedy.
I will carry out my programme
Let me hear from you one
way or the other as soon as you
get this - as I want to know what
I'm going to do before I leave
London for my little trip on the
Continent -

Hubbard, Brooks - & Holmes have
all been in to see me - expect
lots of Americans over during
next month or so - Brooks is
trying to sell his cable - Hubbard
to market his Telephone on the
Continent - and Holmes hunting
up anti Page Patent evidence
I showed Latimer Clark the light
today He was very much pleased
with it = What disposition do you
wish me to make of the 5 Lamps
I have?

Yours E. H. Johnson

S.S. "Algeria"

CABLE ADDRESS,
"GOURAUD, LONDON."

6. Lombard Street, E.C.
London May 21st 1880.

Thos. A. Edison, Esq.
Menlo Park
New Jersey.

My dear Edison

I have exchanged the further agreement between yourself and the Edison Telephone Co. of London, Limited, and have received the two notes for £5000 each and am hoping to arrange to have them discounted to close the thing up.

I have seen your letter to Bouvered with respect to closing up your reversion of £10,000 of United Telephone Co. shares and am glad to find that you agree with Johnson and myself on this point.

Gardner Hubbard is here and I am making arrangements to include the Bell telephone with yours for some of the countries contemplated in our foreign company. He assents to the principle of putting them in on equal terms and getting what we can in cash and shares for them.

The amalgamation with the Bell Co. Lond.

substantially settled & a meeting of the shareholders called for the 1st proximo. to ratify the action of the Directors.

Our Company have issued £15,000 more share capital and offered it pro rata amongst the existing shareholders, who have all, so far as heard from, with one exception, taken their pro rata, several stating that they will be glad to take any more that may not be taken up by others.

I have invited Bouverie to take the Chairmanship of the International Telephone Construction & Maintenance Co. & he seems pleased with the suggestion

We are working up the details and hope shortly to send out an agreement for your ratification –

Yours truly

[illegible]

[ATTACHMENT]

Dated 1880.

THOMAS ALVA EDISON

AND

THE EDISON TELEPHONE COMPANY OF LONDON LIMITED.

Further Agreement.

RENSHAW & RENSHAW,
2, Suffolk Lane,
Cannon Street, E.C.

WATERHOUSE & WINTERBOTHAM,
1, New Court, Carey Street,
Lincoln's Inn, W.C.

Printers: Sir Joseph Causton & Sons, London.

An Agreement made the day of 1880 Between THOMAS ALVA EDISON of Menlo Park Middlesex County New Jersey U.S.A. of the one part and THE EDISON TELEPHONE COMPANY OF LONDON LIMITED (hereinafter called "the Company") of the other part.

WHEREAS by an Agreement dated the 14th day of July 1879 and made between the said Thomas Alva Edison of the one part and the Right Honourable Edward Pleydell Bouverie and others of the other part certain provisions were made for the formation by the parties thereto of the second part of the Company for the purpose of purchasing and acquiring the Patents mentioned in the schedule thereto and for the payment by the Company to the said Thomas Alva Edison of an advanced royalty of £5000 and of other sums therein mentioned and in the said Agreement were contained certain provisions with reference to the formation and promotion by the said Thomas Alva Edison of District Companies for the purpose of supplying Telephones with the proviso that no such District Companies should be formed except for and within a district or districts co-extensive with some Parliamentary borough or boroughs or with some of the Metropolitan Postal Districts other than and except the East Central Postal District and power was given to the Company to take any one or more or all of the Metropolitan Postal Districts on payment to the said Thomas Alva Edison of the further sum of £5000 by way of advanced royalty in respect of each Postal District so taken AND WHEREAS by another Agreement dated the 1st day of August 1879 and made between the said Thomas Alva Edison of the one part and the said Edward Pleydell Bouverie and others of the other part and annexed to the said Agreement of the 14th day of July 1879 certain modifications were made in the terms of payment of the consideration by the Company and as to the provisions with reference to District Companies and otherwise AND WHEREAS the Company was duly registered and incorporated on the 2nd day of August 1879 one of the objects for which it was established being the adoption and carrying into effect of the said Agreements of the 14th of July 1879 and the 1st of August 1879 subject to any modifications in either or both of the said Agreements which might be agreed upon between the Company and the said Thomas Alva Edison AND WHEREAS the said Patents have been assigned by the said Thomas Alva Edison to the Company and the sum of £5000 by way of advanced royalty was on the 2nd day of August 1879 paid by the Company to the said Thomas Alva Edison in pursuance of the provisions of the said Agreement AND WHEREAS by an Agreement dated the 8th day of October 1879 and made between the said Thomas Alva Edison of the one part and the Company of the other part it was provided that no District Company should be formed for or within the Parliamentary boroughs of Manchester Liverpool or Birkenhead or any other borough situate wholly or in part in the County of Lancaster and that the Company should pay to the said Thomas Alva Edison a further sum of £10,000 by way of advanced royalty in respect of the said boroughs AND WHEREAS the Company did on the 24th day of November 1879 pay to the said Thomas Alva Edison the further sum of £10,000 by way of advanced royalty AND WHEREAS by an Agreement dated the 7th day of November 1879 and made between the said Thomas Alva Edison of the one part and the Company of the other part provisions were made with reference to the district of a District Company about to be formed by the said Thomas Alva Edison to be called "The Edison Telephone Company of Glasgow "Limited" and certain general provisions were made applicable to all further District Companies AND WHEREAS the Edison Telephone Company of Glasgow Limited was duly formed and registered on the 28th day of October 1879 but no other District Company has been formed or registered AND WHEREAS the said Thomas Alva Edison and the Company are desirous of further modifying the provisions of the hereinbefore recited Agreements so that the said Thomas Alva Edison should give up the right which he now has of forming any other District Company in any part of the United Kingdom to the intent that the Company may enjoy the same powers and privileges throughout the United Kingdom except in the district of the Glasgow District Company as they now enjoy in the E.C. Metropolitan Postal District and in Lancashire and so that the said Thomas Alva Edison should ~~give up his right under article 3 of the said Agreement of the 14th of July 1879 to a royalty~~ of £20 per cent. of the gross rent or purchase money of each Telephone leased or sold by the Company and should be entitled only to a sum equal to the amount of dividend actually divided among the Shareholders in any year after payment to them of a dividend at the rate of £5 per cent. per annum on the Share Capital for the time being actually paid up of the Company shall have been made in manner hereinafter more particularly specified and so that the said Thomas Alva Edison should abandon his right to determine the form of Telephone to be used or leased or sold by the Company and also his rights under articles 20 and 22 of the said Agreement of the 14th of July 1879 and so that the Company should pay to the said Thomas Alva Edison a further sum £10,000 by way of advanced royalty and so that such provisions as are hereafter more particularly

[ATTACHMENT]

specified should be made with a view to the amalgamation of the Glasgow District Company with the Company AND WHEREAS the provisions of the hereinbefore recited Agreements have to a considerable extent been fully acted upon and in other respects are superseded and rendered unnecessary by reason of the proposed abandonment of the formation of District Companies AND WHEREAS for the purpose of convenience it is proposed to embody in this Agreement such of the stipulations between the Company and the said Thomas Alva Edison contained in the hereinbefore recited Agreements as are considered to be now in force with the exception of those relating to the constitution and management of the Company which though still in force have been embodied in the Memorandum and Articles of Association of the Company and of those relating to the Glasgow District Company which are embodied in an Agreement dated the 23rd day of October 1879 and made between the said Thomas Alva Edison of the first part the Company of the second part and the several persons whose names are subscribed in a schedule thereto of the third part And also with the exception of the clause numbered 12 in the said Agreement of the 1st day of August 1879 which relates to an Agreement believed to be void or incapable of being enforced

NOW THESE PRESENTS WITNESS and it is hereby agreed as follows—

1. The consideration to be paid by the Company to the said Thomas Alva Edison for the said Patents shall be a royalty during the continuance of the said Patents or of any Patent for any substantial improvements of a sum equal to the amount of dividend actually divided among the Shareholders in any year after payment to them of a dividend at the rate of £5 per cent. per annum The royalty shall be payable yearly at the same time that the only or as the case may be the last payment for the same year in respect of such dividend is paid Provided always that no royalty shall become due or be paid or under the provisions of clause 2 be credited in any year until after a dividend at the rate of £5 per cent. per annum on the Capital for the time being actually paid up shall have been paid in such year and also such further dividend as shall be necessary to make up the deficiency of such dividend in any prior year or years

2. The Company shall pay to the said Thomas Alva Edison the further sum of £10,000 by way of further advance on account of the payments contemplated in clause 1 by means of two promissory notes to be made by the Company and delivered to the said Thomas Alva Edison or his Agent upon the execution of these presents the one of them for the sum of £5000 payable on the 30th day of June 1880 and the other of them for the sum of £5000 payable on the 31st day of December 1880 No further sum in respect of the said royalty shall be paid by the Company to the said Thomas Alva Edison until the said royalty shall have made up the said sums of £5000 £10,000 and £10,000 with interest computed from the days of payment thereof respectively at the rate of £5 per cent. per annum on the said sums of £5000 £10,000 and £10,000 or on such part thereof as on the 1st day of January in each year shall not have been made up

3. The Company shall be entitled without further payment to all extensions of the said Patent rights and to all improvements upon the said inventions or the application of the same which may be made by the said Thomas Alva Edison during the continuance of the said Patents

4. No District Company shall hereafter be formed or promoted by the said Thomas Alva Edison

5. The Company shall be at liberty to offer to the Glasgow Company terms for amalgamation and if so required by the said Thomas Alva Edison within three calendar months from the date of these presents the Company shall be bound to accept terms for amalgamation at par if offered by the Glasgow Company The amalgamation in the latter case shall be carried into effect by means of a voluntary liquidation of the Glasgow Company and a sale of its business plant wires instruments batteries and other assets to the Company under S. 161 of The Companies' Act 1862 but the Company shall not be bound to amalgamate unless every Shareholder (other than the Company) in the Glasgow Company shall agree in writing to accept for his share or shares in the Glasgow Company either a share or shares in the Company with a like aggregate amount credited as paid up thereon or cash to the amount actually paid up on his share or shares or partly such share or shares and partly such cash at the option of the Company such option to be declared within two calendar months after all such Shareholders shall have so agreed in writing as aforesaid Provided always that the amount payable by the Company (whether in cash or in shares) shall not exceed the sum of £17,000 and further that all the debts and liabilities of the Glasgow Company shall be paid and discharged by the Glasgow Company and without

[ATTACHMENT]

resorting to the now existing plant wires instruments or batteries of the Glasgow Company all of which shall be purchased and taken over by the Company for the consideration aforesaid and without any additional payment whatsoever. In the event of such amalgamation taking place the sum of £10,000 paid or to be paid by the Glasgow Company to the said Thomas Alva Edison by way of advanced royalty shall be deemed and taken as a further payment by the Company by way of advanced royalty and all the provisions of clause 2 shall extend and apply to that sum as well as to the said sums of £5000 £10,000 and £10,000 therein mentioned and the district of the Glasgow Company shall be deemed to be for all purposes subject to the provisions of this agreement in the same manner as if the said agreement of the 7th day of November 1879 had never been executed.

6. The Telephones used or leased by the Company or sold by it may be of such form as the Company shall from time to time think fit

7. The said Thomas Alva Edison and the Company shall at the expense of the Company enter into and execute all such further deeds and agreements as may be necessary to give full effect to the provisions of these presents and any point in difference as to what shall be contained in such further deeds and agreements or in reference to the carrying out of any of the clauses of these presents shall be referred to the decision of two impartial persons to be appointed in the usual way and their umpire

IN WITNESS whereof the said Thomas Alva Edison hath hereunto set his hand and the said Company hath caused its Common Seal to be hereunto affixed the day and year first above written

[ATTACHMENT]

N.Y. 25c

Edison

May 25th 80
12 57

Have you signed agreement
last sent you by London Company
I have letter from Johnson
as to it. Wire me and I
will come out or send letter.

Mr Moore care Mercantile Trust Co Equitable Bldg NY

YES have signed

Edison

28 paid
Hol

No. 10

S.S. Adriatic

CABLE ADDRESS,
"COURAUD, LONDON."

6, Lombard Street, E.C.
London 25th May 1880

Thos A. Edison Esq
Menlo Park
New Jersey U.S.A

Dear Edison,

Kindly sign the two Powers of Attorney enclosed authorizing me to endorse the two notes for £5000 each which I have received from the London Company. Please have the Notarial seal affixed and duly certified by Consul in the usual manner.

My general Power of Attorney would cover the above but I think that it may be necessary in having the notes discounted to attach to each note a Power of Attorney which will be the most easily done by attaching the enclosed

Yours truly

G. Gouraud

London May 25, 80
G. Elpoirand
Powers of Atty
signed & filed June 8, 80

1/ Cable

May 25, 80
12 30

OK file

Edison Menlo Park

Forward imperilling amalgamation by new and absurd demands Cable Ruin following withdraw claim to profit on United Company Capital Vote for amalgamation without further demur answer

Thomas

32 London
Ho 9

2 May 26, 80

Menlopark London

What causes delay
amalgamation

Menlo Park May 26, 80

10 20
9 40

3

May 26. 80
2 10

Edison
Menlo Park

Shareholders meeting next
Tuesday

7 London Street
Hoy

P.O. Box 670. 59 Leonard St.

New York May 29th

Dear Sir

Since writing you at Mends I have been absent in San Francisco & on my return here on Sunday morning last I found the enclosed from our mutual friend Johnson which has been lying here for me since the 15th inst.

I wrote you on the 25th asking if you had signed the agreement referred to by Johnson, & have your answer "I have signed"

Would you kindly inform me whether you inserted the clause "optional with the Slayton Company" or altered the agreement to meet Mr Johnsons views or not.

Maybe you would kindly send me the agreement or a copy of it, which I will return to you after perusal, so that I may know just how the affair stands.

If necessary I will come out & see you. though the

excessive heat of the past few days has almost knocked me up. not being used to such a temperature -

Kindly return the enclosed letter.

I hold $15.000. in the Glasgow Co. + $2500 in the London Co. and being away from the immediate scene of action I am naturally anxious as to how my interests are being affected -

Yours very truly

W. W. Moore

Director

T. A. Edison Esq. Edison Telephone Co of Glasgow (L.)

May 31, 80.
320

Edison Menlo Park NJ

Have seen Bonvillico Gourands
Cables Dont cable reply
Either all will be right

Thomas

17 London,
Direct
Hog

T. A. EDISON,

1255

Menlo Park, N. J., May 31 1880.

Edison Menlo Park

Amalgamation in great peril if it fails Company must wind up board and myself will abandon it. Gouraud asks fresh terms last moment inadmissable Rush answer Shareholders meeting tomorrow last chance Bouvrie

Quephone

38 London
Ho. G.

May 31

Menlo park
London.

Telegrams state you ask for fresh terms which will imperil amalgamation, The terms stated in your letter satisfactory to me why not close matter up.

29 Menlo Park Ng may 31
2 P.M. Gwin

4

May 31, 80

326

Edison Menlo Parking

Counsel advised settling your reversion before amalgamation This endeavor frightened Bouvrie hence his misleading Cable I shall vote for amalgamation as independent shareholder but not as your proxy which is unnecessary and Counsel advises would jeopardize your future Your only course Silence & guarantee amalgamation

Gouraud

49 London Street
Hol

2

May 31. 1880
107

Edison

Cable Graphic your approval
Amalgamation –

Thomas

9 London Place

London

Phones London
Will let you know tomorrow
10 Marlborough May 31 Edison

~~Continental approve to~~
~~sufficient amalgamation.~~

~~I did approve amalgamation~~
~~basis sent.~~

~~You and General have~~
~~mixed the matter~~

~~Cannot answer too perplexed by~~
~~you and General communicating~~
~~direct~~

Thomas

I will if I know the basis.

Edison

Please telegraph Edison telephone

May 31, 80

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

A. R. BREWER, Sec'y. NORVIN GREEN, President.

Dated Cable Cable May 31 1880

Received at

To Edison
Menlo Park

Contention on reversionary only basis as you know it cable approval amalgamation without prejudice your interest in future profit

Phonos

24 London

ca 5

READ THE NOTICE AT THE TOP.

1 Cable June 1. 80

Edison Menlo Park

Amalgamation unanimous both Companies

Gouraud

London
H-C

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.
MANAGER & SECRETARY.
ARNOLD WHITE.

Mr T. Edison. London June 2nd 1880

Thanks to your keeping your grip on the Reius Amalgamation was happily accomplished yesterday P.M. at 2 o'clock, by a unanimous Vote of the Shareholders of both Companies - Gouraud Voted for it - though protesting up to the last Moment that unless certain things were done he would not =

The New "bone of contention" was simply this = Under the plea that if he consented to amalgamation your future interests might be destroyed by reason of the possible Misconstruction of the Clause referring to a Division of the Profits with you - He demanded Either one of two things as the price of his Consent

yo

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.
MANAGER & SECRETARY.
ARNOLD WHITE.

London 18

they were - 1st That the Edison Co should bind themselves to hold its shares (Edison Co Shares) - in Trust for the joint benefit of yourself & their Odm - - thus making their shares unmarketable & preventing them from reaping any advantage from Amalgamation.

2nd That the surplus of shares of the New Co over those of the Edison Co - obtained by the trade - say 43.000 £ - should be considered as a profit - and immediately divided between you & the Co - - or in other words giving you 21.500 £ - for your reversionary interest - leaving the Co £ 21.500 only - as their entire possible profit - on the whole Telephone venture - Both these things were simply inadmissable & Bonnerie finally got mad - & swore St Gousaud did not vote for Amalgamation

Without such terms the Bouverie would throw the whole Damn business up - & let the responsibility rest with Gouraud -
At the instance of Bouverie I sent you a cable simply asking you to cable your approval of Amalgamation =
Gouraud then sent for me & I met him Renshaw & Parish - Renshaw gave it to me as his legal opinion that unless the Company gave some additional guarantee than was contained in the last contract with you - your future was not properly protected - they then made a dead set on me to get me to join Gouraud in a Telegram to you - asking you not to interfere = I positively refused - And after a long discussion I finally got the three of them to pledge me their word of honor that come what might - they would vote for Amalgamation - I then cabled you that I had seen both Bouverie & Gouraud's cables & not to cable - I then went home - - rather more than half suspicious that Gouraud afterwards changed his cable so as to make me say I had seen something quite different from what I did.
However - your cable saying

you would approve if you knew the
basis - came at 10 P.M. & was
sent to White & by him to me -
We came to the Ofs to answer it -
& I was in a Devil of a fuss
to know how to answer it - for
you see I was between 2 fires
I had cabled for one party
asking you to do it & for another
asking you not to = now if I
went back on me & the thing
failed for want of your approval
I was responsible - On the other
hand I did not want you to
unqualifiedly approve - because I
did think Gouraud should have
some assurance from the
Co. that your interests would
not be affected by Amalgamation
- As I had got Renshow to admit
that a simple assurance of
the Board - in writing - was ~~fairly~~
quite sufficient - & had the word
of honor of Renshow & Parish
that with such assurance from Mr Bonneville they would
be content & vote - and knowing
that Mr Bonneville would cheerfully
accord that - I finally cabled
you to cable your approval
without prejudice to your future
- This you did not do - I am
sorry to say - but fortunately
15 minutes before the meeting

Gerrard met & told B -
that such simple assurance
was all he required - & of course
got it immediately -
The real fact is this =
Gerrards power passed from
him by amalgamation - and
with it his last chance of
a squeeze - He therefore laid
himself out to get another
10 or 15 000 £ = In fact he admitted
as much to me by saying
"Now dont breathe what I have
told you as to my determination
to vote tomorrow - they may come
forward yet with an offer to
settle for 15 or 20 000 £" =
There you have the whole thing
in a nut shell - Your future
is all right =
Now in re - to that French -
Gerrard wants me to join him
in a cable to you asking you
to sign it - If I do - He simply
manipulates it to his own ends -
Mr Bouverie is looking forward
still to an adjustment of this
matter with you - If you put
yourself in a fright - you cannot
do anything without the consent
of the others in the French. Do
you want to do this? I think
not - at least until I can see
you - say in Sept.

Yours E. H. Johnson

No 12 S.S. Abyssinia

6. Lombard Street, E.C.

CABLE ADDRESS,
"GOURAUD, LONDON."

London 4th June 1880

Thos A. Edison Esq
Menlo Park
New Jersey U.S.A.

My Dear Edison

With regard to the Trust Deed concerning your Reversion Interest and which you cabled me that you liked out to consult with Johnson and as I wrote you some time ago Johnson approved but thought it had better stand over till the Amalgamation was accomplished I find that the Deed has to be altered somewhat to suit the altered circumstances and shall hope to send you out by this mail, or if not, by the next a re draft which I trust will be found to your satisfaction. Meanwhile do nothing with the one you now have

Yours truly

G Gouraud

No 11

T. S. Abyssinia

6. Lombard Street E.C.

CABLE ADDRESS.
"GOURAUD, LONDON."

London 4th June 1880

Thos A. Edison Esq
Menlo Park
New Jersey U.S.A.

My Dear Edison

The several cables sent you on the 21st ult from myself, Johnson & Bowerie became necessary in view of the then state of the negotiations with Bowerie with respect to your future interest under your contract with the London Company. Counsel advised me that I should have prior to the amalgamation between the Edison and the Bell Companies some definite assurance from the Edison Company of their intention to keep that Company alive for the purpose of working out your contract and against any possible technical contingency by which the Company might be compulsorily wound up because of certain novel features in the situation, or in default of securing such assurance I should capitalize your future interest through the payment to you of some definite proportion of shares in the United Company. I was moreover advised that until one or the other of these alternatives was definitely arranged for I should

2 not agree to vote ~~on~~ your proxy for the amalgamation but the fact of so doing might be used against you in the future I at no time in the negotiations said that I would vote your proxy against the amalgamation but that is evidently what Bouvere feared I would do if I did not vote your share for it. Of course I did not show him my whole hand but ~~let~~ allowed him to draw whatever inference ~~that~~ he might please in the hope that I ~~should~~ get one of the two things which I was advised was essential in our joint interests. My intention was ~~that~~ if I did not either get a settlement in shares or such an assurance as Counsel advised would be satisfactory as regards continuing the Company until some arrangements had been made as to your future interests ~~that~~ I should vote in my private capacity as a shareholder for the amalgamation but that I should not vote your proxy at all thus accomplishing amalgamation but leaving open under existing circumstances what I deemed absolutely necessary in your interests Learning Bouvere had cabled to you I cabled as I did feeling sure that you would not interfere in a matter of so vital a character

trusting to my discretion as you so often have and I thank you for following my advice and not cabling to Bouverie.

Before the meeting ~~today~~ on Tuesday I received a letter from Bouverie which gave me all the assurance I required (as I am advised by Renshaw) and I accordingly just before the meeting placed in Mr Bouverie's hands a letter of which I enclose copy. Mr Bouverie thanked me for the letter and assured me that I had entirely understood the meaning of his letter and that I might rely upon his best endeavours and those of the Board to secure your interests against any prejudice in the future. The resolution for amalgamation was passed unanimously Mr Bouverie in his speech in concluding making very pleasant reference to the hearty co-operation the Company had received from yourself throughout the relations subsisting, a statement which received the applause of the Shareholders.

By way of a graceful conclusion of the ceremonies, in connection with the usual vote of thanks to the Chairman, which was proposed by a Shareholder, I rose and stated that it seemed peculiarly fitting under all the circumstances, considering my representation of yourself, that I should second the motion just proposed and that in doing so it gave me great pleasure to acknowledge

in your behalf with thanks the pleasing reference to yourself which had been made by the chairman on expressing his appreciation of the cordial and deeply interested co-operation which you had given to the efforts of the Board, and that at the same time it gave me very great pleasure to add in your behalf that the manner in which the Company, as represented by its Board, had treated you throughout had been in every way most satisfactory and that I felt and I was but fully expressing only what you yourself would have said had you been there, in assuming the place of the sense of the high appreciation in which you held the liberal and active support which the Company as a body had given in the practical establishment of one of the most interesting and valuable of your many inventions. I resumed my seat amidst rounds of applause which you might have heard had you been listening & which were naturally intended for yourself rather than for your humble representative.

The curtain may now be said to have fallen upon the most important act in this little drama and today the Board of the United Company meets and it is hoped that the united energies of that distinguished Conclave will be

hence forth devoted to the active extension of the business which I believe will be the case. It is generally felt that this combination of the Bell and the Edison patents will control to us the practical monopoly of the Telephone business in this Country and I sincerely trust that will be the case.

As regards your future interests they will depend of course entirely on the value of the United Companys shares and I think the feeling exists to a considerable extent amongst the shareholders that it would be more desirable to give you a certain proportion of those shares

I have been delaying matters as regards the Foreign Company until the conclusion of this amalgamation scheme lest because I thought it would be easier to form the former when the latter was completed. Besides the negotiations with Gouverie have occupied so much of my time that all other matters have had to stand over

My hands however are completely free now at last I have no other business just now on hand and therefore can devote myself exclusively to the formation of the Foreign Coy. Yours very truly

Copied for Mr Hickenlooper to attend to immediately

P.S. Since writing the above the first meeting of the Board of the United Telephone Co took place this morning and everything went off pleasantly. Wheto is Secretary of the new Coy. Col Webber. R.A. Harper. He is said to be an excellent man for the post

G.

MANAGER & SECRETARY.
ARNOLD WHITE.

The Edison Telephone Company of London, Limited,
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.

London 8th June 1880.

T. A. Edison, Esq.,
Menlo Park,
New Jersey, U.S.A.

Sir,

For your information I beg to enclose copy of Agreement signed on the 2nd instant between this Company and the Telephone Company Limited, by which the systems of the two Companies are, for working purposes, fused into one organization.

I am also directed to hand you copy of the proceedings that took place at the meeting of Shareholders on the 1st instant.—

I am,
Sir,
Your obedient servant,

Manager & Secretary.

G.T.

2 enclosures.

[ENCLOSURE]

Dated 13th May, 1880.

The Telephone Company, Limited

AND

The Edison Telephone Company of London, Limited,

WITH

The United Telephone Company, Limited.

Edison Tel Co London June 8 1880

Agreement for Amalgamation.

ASHURST, MORRIS, CRISP & Co.,
6, Old Jewry, E.C.
WATERHOUSE & WINTERBOTHAM,
1, New Court, Carey Street,
Lincoln's Inn, W.C.

[ENCLOSURE]

An Agreement made the Thirteenth day of May, 1880, BETWEEN THE TELEPHONE COMPANY, LIMITED, (hereinafter called the "Bell Company") of the first part, THE EDISON TELEPHONE COMPANY OF LONDON, LIMITED, (hereinafter called the "Edison Company") of the second part, and RICHARD LAKE HARRISON, of No. 51, Warrington Crescent, in the County of Middlesex, Gentleman, as Agent for and on behalf of a Company intended to be registered under the name of THE UNITED TELEPHONE COMPANY, LIMITED, (hereinafter called the "United Company") of the third part. WHEREAS the Bell Company is the owner of the Letters Patent specified in the 1st Schedule hereto, and the Edison Company is the owner of the Letters Patent specified in the 2nd Schedule. AND WHEREAS it is intended that the Bell Company and the Edison Company, respectively, shall for the consideration hereinafter appearing, sell its business, goodwill, and other property, to the United Company, subject to the provisions and otherwise in the manner and upon the terms hereinafter expressed. AND WHEREAS a print of the Memorandum and Articles of Association of the United Company has been approved by the parties hereto of the first and second parts.

NOW IT IS HEREBY AGREED AS FOLLOWS :—

1. The Bell Company and the Edison Company shall each sell to the United Company, and the United Company shall purchase from each Company, the Letters Patent described in the said Schedules as belonging to it, with the benefit of all improvements in the inventions to which they respectively relate, and all extensions thereof respectively, together with its business, goodwill, rights, privileges, and all other its property whatsoever, excepting only money, book and other debts due to the Company, and any sums due or to become due from Shareholders in respect of Capital.

2. Each Patent shall be sold subject to such licenses and agreements for licenses as may have been granted or made by the Company owning the same, and also subject (so far as it is affected thereby) to the Agreements mentioned in the Schedule in which it is described, but save as aforesaid the said Letters Patent respectively, and all other property intended to be herein comprised, shall be sold free and discharged by the Company selling the same from all royalties and all claims or demands by any vendor to such Company or other person, and from all agreements or other incumbrances whatever.

3. The United Company shall, as between itself and the selling Companies respectively, take over and discharge all liabilities of the Bell Company under the Agreement mentioned in the second part of the first Schedule, and of the Edison Company under the Agreements mentioned in the second part of the second Schedule, and of each Company, in respect of contracts with customers, or licensees not herein specially referred to, or in respect of way-leaves, but so that nothing in this clause shall be deemed to extend the rights of any third parties, or to create any direct liability between them or any of them and the United Company. All sums of money paid or payable to or by the Bell Company

[ENCLOSURE]

or the Edison Company in respect of any such contracts or way-leaves (less any commission payable for collection) shall, if necessary, be apportioned as from the 1st day of May instant, and the apportioned part shall be paid to or by the United Company, as the case may be.

4. The United Company shall take over the obligations of the Bell Company under and be entitled to the benefit of any Agreements included in the third part of the first Schedule hereto, so far as the same relate to Patents the property of the Bell Company, and shall indemnify the Bell Company against all damages, if any, which may be recovered against them in consequence of any breach of the said Agreements respectively committed after the date hereof, but shall not hereby undertake the supply of Blake Transmitters, which the Edison Company allege to be an infringement of their Patents, and neither the Edison Company nor the United Company shall be deemed hereby to license the use or sale of the said Blake Transmitters by any parties to such Agreements respectively, or by any of the customers of such parties or by any persons other than Licensees of the Edison Company for any purpose whatever, or prejudice the right of the Edison Company, or the United Company as their assignees, to restrain such use or sale, it being the intention of the parties hereto that nothing herein contained shall directly or indirectly have the effect of conferring on any of the parties to any of the said Agreements included in the third part of the first Schedule, the right to use or sell any invention the property of the Edison Company, or which may be an infringement of any invention belonging to the Edison Company, or of protecting any such parties from liability for any infringement, but that the rights and liabilities of such parties in respect of the Edison Company's Patents, shall remain wholly unaffected by anything herein contained.

5. The United Company shall indemnify the Bell Company and the Edison Company respectively, against all claims for trespasses by each Company's wires, or in laying or running or maintaining the same, except for any trespass committed prior to the 1st of May instant, in respect of which either Company has had express notice in writing prior to that date, of an intention to make a money claim.

6. The United Company shall pay all the costs as between Solicitor and Client of the actions or suits of the Attorney-General *v.* The Edison Company, and The Attorney-General *v.* The Bell Company, now pending in the Exchequer Division of the High Court, and indemnify each of the Companies against all costs and other moneys, which may be ordered to be paid in either of these actions, and shall have the future conduct of the same actions.

7. Save as aforesaid the Bell Company and the Edison Company shall each bear and discharge its own debts and liabilities.

8. As the consideration for such sale, the United Company shall allot to the Bell Company, or as it may direct, 40,000 fully paid-up Shares of £5 each, part of the original Capital of the United Company, and to the Edison Company 23,000 fully paid-up Shares of the same issue.

[ENCLOSURE]

9. The purchase shall be completed on the 15th day of June next, whereupon the said Shares shall be allotted, and the Bell Company and the Edison Company respectively shall deliver such of the property hereby by it agreed to be sold as may be capable of delivery, and shall execute, and cause to be executed, by all necessary parties all proper assignments and conveyances of the residue, including the said Letters Patent.

10. The sale by each Company shall take effect as from the 1st May, 1880, as from which date each selling Company shall as between itself and the United Company, be deemed to have carried on business for and on account of the latter.

11. The Bell Company and the Edison Company shall each convene, in accordance with its regulations, an Extraordinary General Meeting of its Members, at two o'clock on the 1st day of June next, for the purpose of considering and, if approved, of confirming this Agreement, and if the same be approved of by the requisite majority of the Members present at each of such Meetings, each Company shall forthwith take all such steps as may be necessary to carry out this Agreement in accordance with its true intent.

12. If the Shareholders of the Bell Company, or of the Edison Company, refuse or neglect on or before the 30th day of June next to confirm this Agreement, or to pass any resolution necessary for giving effect to the same, then, in either of such cases, either of the Companies, parties hereto, may rescind this Agreement by notice in writing to the other two.

13. Neither the Bell Company nor the Edison Company shall be deemed to warrant the validity of any Letters Patent hereby agreed to be sold, nor be liable for the non-performance by the other of anything hereby agreed to be done, but each selling Company shall, before completion, furnish to the other and, if required, to the United Company, a list of all licenses affecting its own Patents.

14. The said Richard Lake Harrison shall incur no responsibility whatever under this Agreement, but so soon as the same is adopted and confirmed by the United Company, the same shall be binding on such Company, in the same way as if entered into under its Common Seal.

15. If any doubt, difference, or dispute shall arise between the parties hereto, or any of them, as to the construction of these presents, or as to any account, valuation or apportionment to be taken or made, or any property or liability to be sold or undertaken, or as to anything to be done, or money to be paid hereunder, or otherwise as to anything herein contained or referred to, the matter in difference shall be referred to some person, to be nominated by the Governor of the Bank of England, for the time being, whose decision shall be final, with power to such Governor to nominate any other person in the event of the death or refusal to act of the person first nominated.

16. This Agreement may be modified from time to time in such manner as the Boards of the three Companies may, by unanimous votes of their respective Members present at any Meeting convened for the purpose agree, and any modification so made, shall without any further authority have the same force and effect as if it had been originally incorporated in and formed part of this Agreement.

[ENCLOSURE]

The FIRST SCHEDULE above referred to:—

FIRST PART.

Letters Patent belonging to the Bell Company.

Letters Patent, dated the 9th December, 1876, No. 4,765, granted to William Morgan Brown, for the invention of "Improvements in Electric Telephony (transmitting or causing sounds for telegraphing messages) and Telephonic Apparatus."

SECOND PART.

Agreement, dated 2nd September, 1879, made between The Telephone Company, Limited, of the one part, and Adam Scott and Charlton James Wollaston, of the other part.

THIRD PART.

Agreement, dated 28th August, 1879, made between The Telephone Company, Limited, of the one part, and James Dennie Tracy and James Grieve Lorrain, of the other part.

Agreement, dated 16th October, 1879, made between the Telephone Company, Limited, of the one part, and the Lancashire Telephonic Exchange, Limited, of the other part.

Agreements (if any) between The Telephone Company, Limited, and The Lancashire Telephonic Exchange, Limited, The Midland Telephone Exchange Company, Limited, J. Tasker, Tasker, Sons & Co., and The Sheffield Telephone Exchange Company, Limited.

The SECOND SCHEDULE above referred to:—

FIRST PART.

Letters Patent belonging to the Edison Company.

Letters Patent, dated 30th July, 1877, No. 2,909, granted to the said Thomas Alva Edison for the invention of "Improvements in Instruments for controlling by sound the transmission of Electric Currents and the reproduction of corresponding sounds at a distance," (subject to an exclusive license to use that part of the Invention which relates to reproducing sounds, called the "Phonograph," granted to George Swan Nottage and Howard John Kennard, by indenture, dated 22nd March, 1878.)

Letters Patent, dated 15th June, 1878, numbered 2,396, granted to the said Thomas Alva Edison, for an invention of "Improvements in Telephones and Apparatus employed in Electric Circuits."

Letters Patent, dated 20th September, 1879, No 3,794, granted to Arnold White, for the invention of "Improvements in apparatus employed in connection with Telephones, for the purpose of notifying and of facilitating and obtaining interchangeable communication between Telephonic Circuits."

Letters Patent, dated 31st December, 1879, No. 5,335, granted to Arnold White, for the invention of "Improvements in Telephones."

SECOND PART.

Agreement, dated 23rd October, 1879, made between the said Thomas Alva Edison of the first part, The Edison Telephone Company of London, Limited, of the second part, and Arthur Francis Stoddard and others, of the third part.

Agreement, dated 31st December, 1879, made between the said Thomas Alva Edison, of the first part, the Edison Telephone Company of London, Limited, of the second part, the said Arthur Francis Stoddard and another, of the third part, and the Edison Telephone Company, of Glasgow, Limited, of the fourth part.

Agreement, dated 21st September, 1878, between George E. Gouraud and Thomas Alva Edison of the one part, and William Butcher of the other part, which is believed to be void or incapable of being enforced.

[ENCLOSURE]

THE EDISON TELEPHONE COMPANY, LIMITED.

At an extraordinary general meeting of the Edison Telephone Company of London, Limited, held on Tuesday at the offices of Messrs. Price, Waterhouse, and Co., 44, Gresham-street, a proposal for amalgamation with the Telephone Company, Limited, was considered by the Shareholders. The Right Hon. E. P. Bouverie presided, and, in moving the resolution, pointed out the expense and difficulties incidental to competition with a rival Company, and alluded to the fact that amalgamation alone would insure the general support of the mercantile community. The advantages of a combination of the Bell and Edison instruments would also be very considerable. Mr. W. Fowler, M.P., seconded the resolution, which, after a brief discussion, was unanimously carried. The vote of thanks to the Chairman was proposed by Mr. Porter, and seconded by Colonel Gourand.

Edison with copy of G. Bowman

THE

UNITED TELEPHONE COMPANY, LIMITED,

(BELL AND EDISON PATENTS).

CAPITAL £500,000, IN 100,000 SHARES OF £5 EACH.

Chairman—JAMES BRAND, Esq.
Deputy-Chairman—The Right Hon. E. P. BOUVERIE.

Directors:

Viscount ANSON.
J. W. BATTEN, Esq.
W. PLEYDELL BOUVERIE, Esq.
G. B. DEWHURST, Esq.
J. S. FORBES, Esq.
W. FOWLER, Esq., M.P.
Col. GOURAUD.
Capt. R. H. HOME.
W. C. QUILTER, Esq.
CHARLES SCHIFF, Esq.
Sir P. E. WODEHOUSE, K.C.B., G.C.S.I.

Bankers:

NATIONAL PROVINCIAL BANK OF ENGLAND.
Messrs. ROBARTS, LUBBOCK & CO.

This Company has been formed by the amalgamation of the two Companies, formerly representing Bell's and Edison's Patents, and will occupy a corresponding position in this country to that of the National Bell Telephone Company in America, which has a capital of one-and-a-quarter millions sterling, and whose shares now stand at a premium.

The United Telephone Company, Limited, has acquired, not only Bell's and Edison's Patents for the United Kingdom, but also the business established by each of the two Companies, with stock in trade, plant, &c., subject to the Licenses granted to and Agreements with the various existing District Companies and Exchanges, but including the interest of each of the two Companies therein.

The terms upon which the United Company has been formed (and which are embodied in the Agreement referred to below) are substantially as follows—

A payment to the Bell Company of £200,000 in Shares for their business, patent, &c., and a payment of £115,000 in Shares to the Edison Company for their business, patents, &c.

The Telephone System in this country has not hitherto been properly developed, partly in consequence of the antagonistic position of the Bell and Edison Companies. A similar state of things existed in America until those two interests became united. It is therefore expected that the Telephone System will now make rapid strides in this country, as it has already done in America.

In addition to the proportion of the Share Capital representing the consideration to be paid to the two Companies, viz. £315,000, the Directors propose to make a further issue of £85,000, making a total issued capital of £400,000.

In response to numerous applications, the Directors of the United Company now offer this amount (viz., 1,700 Shares of £5 each, £85,000), at par, but limited to the Shareholders and the present Subscribers to the Exchange Systems of the two Companies. It was originally intended to offer the whole of these to the present Shareholders, but it has been decided that an offer of them should be made to the Shareholders and Exchange Customers of the two Companies conjointly.

The Capital of the two original Companies was raised privately, and the Directors do not desire to make any public issue of the Shares until the value of the Telephone System in this Country has been tested by larger experience, and for the same reason the Directors abstain from giving any estimate or expressing any opinion as to anticipated profits, beyond stating as a fact that in London alone the two Companies have between them about 650 Subscribers on the Exchange System, all of whom may now be connected together by the union of the two Companies.

It is right to mention the contention of the Post Office, that their monopoly, under the Telegraph Acts, extends to the Telephone Exchange System, and a suit is now pending to have that question settled. The Directors are advised that that contention will not succeed. The private Telephone business of the Company could not be touched under the Post Office Acts, and that Department must pay for the right to use for profit the instruments protected by the Company's Patents.

The list of applications will remain open until Wednesday, the 16th June, 1880, inclusive.

Applications must be made in the annexed form, accompanied by a cheque, crossed to one of the Company's bankers, of £2 per share on application. The balance of £3 per share will be payable on allotment.

The only contract entered into by the United Company is one dated the 13th day of May, 1880, and made between the Telephone Company, Limited, of the first part, the Edison Telephone Company of London, Limited, of the second part, and Richard Lake Harrison, as Agent for and on behalf of the United Telephone Company, Limited, of the third part, being the Amalgamation Agreement between the Companies, and which can be inspected at the Company's Office.

By order of the Board,

ARNOLD WHITE,
Secretary.

No. 36, Coleman Street,
London,

8th June, 1880.

FORM OF APPLICATION FOR SHARES.

(TO BE RETAINED BY THE BANKERS.)

TO THE DIRECTORS OF

The United Telephone Company, Limited.

Having paid to your Bankers £ being £2 per Share on Shares of £5 each in your Company, I hereby request you to allot to me that Number of Shares, which, or any less number you may allot to me, I hereby agree to accept and to pay up the balance of £3 per Share thereon on allotment.

Signature _____

Address _____

Occupation _____

Date _____ *June*, 1880.

The United Telephone Company, Limited.

BANKERS' RECEIPT.

(TO BE RETAINED BY THE APPLICANT.)

LONDON, _____ June, 1880.

Received from _____

the Sum of _____ on account of THE UNITED TELEPHONE COMPANY, LIMITED, being £2 per Share on an application for _____ Shares in the said Company.

For _____

Here affix receipt stamp.

£ : :

wrote Arnoldsohn June 17. sent copy of this letter, see letter book

SAMUEL W. SERRELL
SOLICITOR OF
AMERICAN & FOREIGN PATENTS
140 NASSAU STREET,

P.O.Box, 4689.

New York, June 9th 1880.

Thos. A. Edison Esq.

Dear Sir:

I have to advise you that the 3rd years tax on your English patent on Telephones dated July 30th 1877. No 2909, is due July 30. 1880.

The amount of this tax is $275. including expenses, and the funds and patent should be sent from here by July 15th in order to be in time. Please let me know your wishes in the matter.

Yours truly
Samuel W. Serrell
H. Pinckney

Get funds the Original Patent

SAMUEL W. SERRELL,
SOLICITOR OF
AMERICAN & FOREIGN PATENTS
140 NASSAU STREET,
P.O. Box, 4689.

New York, June 28 1880.

Thos. A. Edison Esq
Dear Sir

Yours of 17th inst. to hand and contents noted.

Bearing in mind what you say about English Patent 2909 of 1879 being transferred to the Edison Telephone Co. of London &c I would remind you that if the Patent itself is in your possession it should be sent over to have the 3d yr tax stamped on it. ——

Yours truly
Samuel W. Serrell
Serrell

Write & ask him if he did not send this patent to Brewer

The United Telephone Company, Limited,

(Bell's and Edison's Patents.)

36, Coleman Street,

London, E.C. June 29th 1880

T. A. Edison Esq
Menlo Park
New Jersey,
U. S. A.

Dear Sir,

I have to acknowledge the receipt of your letter of the 17th instant, and in reply beg to inform you that the Taxes on the Patents will be duly paid by this Company.

I am, Dear Sir,
Yours faithfully
Arthur
Secretary.

Have you got the Original Pat

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.
MANAGER & SECRETARY.
ARNOLD WHITE.

London ~~Sep~~ 1 Oct 1880.

My Dr Edison (2 days hence)
Col Gouraud leaves Saturday, for
Menlo Park - "& all that implies" =
You will get a Letter from Bouverie
by same mail as this -
I write to request a compliance
with Bouveries request "that you do
nothing to alter the present status
until the company representative (i.e. me)
has had the opportunity to personally
present their case to you" = I am in
honour bound to use every effort
to induce you to withhold your
signature from the final deed or
Covenants until the Company has
had an opportunity of stating their
Case as they think they cannot
state it except by personal presentation
I therefore ask you to quietly
wait my return - thats all =
You will of course see that in
doing so I am not asking you
to comply with their final requests

The Edison Telephone Company of London, Limited.
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.
MANAGER & SECRETARY.
ARNOLD WHITE.

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On the contrary Dawson myself in favor of Gouraud's scheme and have so told him - therefore When I have performed my self imposed mission for the Company you are as free as a Bird in the Air to sign deal & deliver - if you do Elect = One more thing for you to bear in mind - Gouraud does not know that I have been asked to petition you to this delay - and it is important to both myself - the Co. & you that he should not know it = I want you therefore to simply say that you have promised Bouverie that you "will do nothing to change the present status - i.e your personal relations - to the Edison Company until he has had an opportunity of properly presenting his views - which he hopes to do shortly" Leave me out of the matter altogether -

Please do this

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.

MANAGER & SECRETARY.
ARNOLD WHITE.

Now for a personal matter involving a story too long for a letter - hence confined to simple statement of fact - to be subsequently supported by personal explanation as to the details.

My course in staying your and rapacious hands - & in otherwise contributing to the final consolidation of your interests in the hands of the London Board - upon terms which - to quote Bouverie's words = "prevented their Bankruptcy" = or as the Board pithily put it in a Resolution later on "Rendered them under obligation to him (me) - for their very existence" = is well known to you = What is not known to you - & was only made known to me a few days ago is the = the passage of the above Resolution with other complimentary terms and with a vote of

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.
MANAGER & SECRETARY.
ARNOLD WHITE.

London 18

thanks accompanied by a check for 500 £ = I am not even aware of whether Gouraud knows of this or not He was not at the meeting in question & has not mentioned it to me in our many interviews except yesterday, when he remarked that He hoped I was pleased with the Resolution of the Board - I simply said I was highly gratified, but as a second resolution - passed day before yesterday granting me leave of absence from July 1st to 14th (the end of my year) - may have been the one he saw. I conclude it was to it he referred I imagine the other members of the Board voted the 500 £ in their personal capacity so as not to ask Gouraud for any part in it =

Now the questions which will

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.
MANAGER & SECRETARY.
ARNOLD WHITE.

London 18

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instantly occur to you are then
"Has Johnson been working for this?
Has it been promised him -
and is it because of this that
he now asks me to withold
my Consent to Yours and Deed of
Trust = I must answer you
briefly -
As to the 1st & 2nd - I give you
my word that until a few days
prior to the final signing of
the terms of Amalgamation, &
Consequently subsequent to the
signing of the last contract
between you & the Co - and also
subsequent to the presentation
to you by me of Bouverie's views
upon your future interests
I had no suspicion, expectation
Dream - assurance hope
or other real or imaginative
expectation of being in any
other than a grateful way

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.
MANAGER & SECRETARY.
ARNOLD WHITE.

London 18

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remembered or compensated for my interference between you & G. You must therefore judge of all my actions up to that time entirely apart from this finale - about that time White & Bowring called upon me one evening to see the E Light - & in the course of a pleasant half hour B. said to me that he hoped some day to become interested with Mr Edison in the E. L. or other matters that he had formed a very high opinion of your fairness & then added - "and of your own too Mr Johnson and I want you to accept my assurance that when we are all happily united in Wedlock (meaning I took it amalgamation) - myself & my colleagues will remember the services you have rendered them - in your capacity as

The Edison Telephone Company of London, Limited.
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.
London 18

MANAGER & SECRETARY.
ARNOLD WHITE.

Engineer & scientific expert"
Of course I thanked him & disclaimed
all desire ~~for~~ ~~other than the~~
good will & "Well done" - of himself
& Colleagues - & from that day
down to the final action of the
Board a few days ago - I
gave the matter but little thought
& certainly never really expected
to get any considerable pecuniary
consideration -
As to whether I should take it - or
not - the idea of refusing it in
view of my peculiar relations
to all parties certainly crossed
my mind - but I saw this vision
- Johnson explaining to Edison how
he refused to bring little Bower
& Edison telling him he was a
Damned fool for his pains -
I therefore said to myself - I'll
take it - & trust to Edison's belief
in my honesty to accept

The Edison Telephone Company of London, Limited,
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.
MANAGER & SECRETARY.
ARNOLD WHITE.

8

London 18

my explanation - there's the story my Boy of the only thing I've done in England that I feel "shaky" about in the telling - Have I need to? - I'll not bore you about my declining Gounands Continental offer now I'll explain all that in person - I am awfully sick of this country the Continent is worse - I've done my duty to you as contracted for. to the last letter - I must come home ere I make another contract with George Edward Gounand - I would not engage myself in a second of like character for a certainty of twice & thrice times the amount of money I have made in England - Yours Hastily

I leave tonight for a short trip on the Continent

Yours E A Johnson

E P Bowarie
a July – 1880 see letter book

44 Welton Crescent. London
July 1. 80.

My dear Sir,

You will have been informed by Col. Gouraud & Mr. Johnson of the union of the two Telephone companies – yours & Bells, a combination, which will give great strength to both. & have the field practically clear of competition. My object

in writing to you, is to ask you not to decide, or to commit yourself to any absolute course, respecting the reversionary interest you have in the Edison Company, until you have seen Mr. Wheeler.

It is certainly desirable for all our interests that the Company should be wound up within a short time - & I think I could satisfy you that the terms I asked you to accept for your consent to the winding up were well worthy your acceptance. This, however, is not the point I wish now to urge upon you - & it may remain for consideration. What I do wish to press on you, as a favour to myself, is, the suspension by you of any decision whatever, till

you have met & discussed the
subject with Mr. Johnson -
This must be very shortly.
I should be very glad that you
should write & give me your
assurance to that effect.
Our relations have always been
so pleasant & friendly ~~[illegible]~~
think I may safely rely on your
conviction, that I am not asking
anything which can militate against
your true interests - which I have always sought
to advance.

Yours very truly
[illegible]

Menlopark

London

Mailed Cash and quarter share contract

8 Menlo Park 2d July
11 01 am
E H O

Gif Witness Contract, I wonder must
you go to British Consul I guess
not =

Cable Quephone,

Dont forget third
year tax patent Seventy seven,
have you original,

E

13 Menlo Park 2d July
11 am
E H O

Edison July 22 80
to Gourand

Edison July 22 80
to Arnold White

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

This Company **TRANSMITS** and **DELIVERS** messages only on conditions, limiting its liability, which have been assented to by the sender of the following message.
Errors can be guarded against only by repeating a message back to the sending station for comparison, and the Company will not hold itself liable for errors or delays in transmission or delivery of **Unrepeated Messages.**
This message is an **UNREPEATED MESSAGE** and is delivered at request of the sender, under the conditions named above.

A. R. BREWER, Sec'y. Cable NORVIN GREEN, President.

Dated _____ 188

Received at _____

To Edison Menlo Park

Five hundred carbons
two hundred chalks
immediately

Phonos

11 London Rd 44 pm

July 2nd

READ THE NOTICE AT THE TOP.

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms No 113.
11 Queen Victoria Street, E.C.

MANAGER & SECRETARY.
ARNOLD WHITE.

London July 5th 1880

T. A. Edison Esq.

Menlo Park.

N.S.A.

Sir,-

With reference to your cablegram of 2nd instant regarding the Stamp duty on Patent, I beg to inform you that the stamp has been duly affixed as you will observe from the enclosed copy of letter, dated July 3rd from Messrs. Waterhouse & Winterbotham, the Solicitors of the Company.

I am,
Sir,
Your obedient servant

Arnold White

Manager & Secretary

1 enclosure

Rec'd London July 5 '80
Arnold White

Copy

No 1 New Court
Carey Street
Lincolns Inn W.C.
3 July 1880

Dear Sir

We are obliged by your letter of the 2nd enclosing cablegram from Mr Edison. We think you should report to Mr Edison by post that the stamp has been duly affixed but it seems hardly necessary to use the Telegraph.

The patent was duly stamped yesterday & has been lodged for Registration today.

We are, Dear Sir
Yours faithfully
for Waterhouse & Winterbotham

Arnold White Esq

The Edison Telephone Company of London Limited.
Mansion House Chambers.
Rooms No 113.
11 Queen Victoria Street, E.C.

MANAGER & SECRETARY.
ARNOLD WHITE.

London July 12th 1880

Thomas Alva Edison Esq.
Menlo Park. New Jersey. U.S.A.

My dear Sir,

The amalgamation of the Edison & Bell Companies involved a reduction of the staffs of the respective companies. Thinking you may be interested in learning the circumstances with regard to each of the american employés, I have given directions for the preparation of a memorandum on the subject, copy of which I enclose.

I also hand you copy of memorandum with reference to Mr Ross, addressed by Colonel Webber of the United Company to Mr White.

I am, My dear Sir,
Yours very truly,
E P Bouverie
Chairman.

2 Inclosures.

(July 12, 1880)

Copy

I do not wish to remark on the secession of the American Staff generally but I think it only right that you should be placed in possession of the facts as regards Mr. Rose.

Mr. Rose on the 5th June and on June 18. met Mr. Fletcher and Mr. Carlisle and in my presence was installed to co-operate in the Amalgamation of the two City Companies. He was also informed that when this was done I had special work for him under myself. He was fully aware of the importance and difficulty of the work and the absolute necessity of his help. —

He was directly put in charge of the fitting up of the East India Avenue switch room, which was to be the model switch room of the Company, and instructed to look for and find two other switch rooms in the City. —

His new position was printed in the first list of the Company Staff, that of technical assistant to me at his former salary which was already nearly double that given by the Bell Company to Mr. Fletcher. He was informed of this at the earliest moment and it was understood that he was helping Mr. Fletcher in the City when without notice he resigned. —

I am informed by Mr. Fletcher that in fact he gave him no assistance whatever and that he is now left to puzzle

out everything in connection with the Edison wires with only the help of a few Juniors.

I cannot too strongly condemn Mr. Rose's action which had no justification whatever, and considering the delay and difficulty which will be entailed he might I think be liable for an action for damages by the Company for the consequent loss.

My impression, from what I saw of Mr. Rose, is that he was acting under other influences, as the position which he knew he was destined to hold in the new Company as assistant to the General Manager was far too good a one for him to throw up. His alleged grievance was purely imaginary and his declining to accept further explanation which was given him on account of his supposed sensitiveness as an American showed that he had made up his mind to leave the new Company in the lurch. He has since, I understand, joined the service of Mr. Hubbard.

Yrs C E W.

7 July 1880

[ENCLOSURE] [MEMORANDUM BY EDWARD P. BOUVERIE]

Memorandum

The following were the Americans in the employ of the Edison Company:-

Messrs. Brown, Gibson, Isaacs, Rector, Crawford, Lighthipe, Seymour, Enholm & Rose.

Messrs Brown Gibson and Isaacs left the Company's service previous to the amalgamation, to join the international telephone Company.

Messrs Lighthipe, Seymour and Enholm. On the re-arrangement of the Staff it was found impracticable to retain the services of these gentlemen; in consequence their passage money to America (£15) was handed to them and they expressed themselves satisfied

Messrs Rector & Crawford. Appointments in the Company were offered to these gentlemen but as they were dissatisfied with the terms offered them by the United Company they declined to enter its service.

Mr. Rose. The Board decided to retain this gentleman in their service in the capacity of Technical Assistant to Colonel Webber at the salary he had been drawing from the Edison Company. It is understood however that Mr Rose was dissatisfied with the position offered him and he left work comparatively without notice notwithstanding that by his Agreement with the Company a 3 months notification of his intention to quit should have been given.

July 15-80
3 pm

Mr Edison

If you are awake tonight and can give me a bed will go down six thirty

Sourand

16 Paid
Hog

All right come down Edison

5.8.80.
adjudged
duly stamped

Stamp
£1
10/=

This Indenture

made the sixteenth day of July One thousand eight hundred and eighty Between Thomas Alva Edison of Menlo Park Middlesex County New Jersey United States of America of the one part and Alfred George Renshaw of Number 2 Suffolk Lane E.C. of the other part Whereas by an Agreement dated the fifth day of May One thousand eight hundred and eighty and made between the said Thomas Alva Edison of the one part and the Edison Telephone Company of London Limited (hereinafter called "the said Company") of the other part After reciting various agreements in relation to patents granted to the said Thomas Alva Edison and therein specified or referred to and the payment to him by the said Company of the sum of Five thousand pounds on the second day of August One thousand eight hundred and seventy nine and the sum of Ten thousand pounds on the twenty fourth day of November One thousand eight hundred and seventy nine it was for the purpose therein mentioned agreed (Clause 1) that the consideration to be paid by the said Company to the said Thomas Alva Edison for the said patents should be a royalty during the continuance of the said patents or of any patent for any substantial improvements of a sum equal to the amount of dividend actually divided between the Shareholders of the said Company in any year after payment to them of a dividend at the rate of Five pounds per cent per annum And that the royalty should be payable yearly at the same time that the only or as the case might be the last payment for the same year in respect of such dividend was paid Provided that no royalty should become due or be paid or under the provisions of Clause 2 be credited in any year until after a dividend at the rate of Five pounds per cent per annum on the Capital for the time being actually paid up should have been paid in such year and also such further dividend as should be necessary to make up the

deficiency of such dividend in any prior year or years And (Clause 2) that the said Company should pay to the said Thomas Alva Edison the further sum of Ten thousand pounds by way of further advance on account of the payments contemplated in Clause 1 by means of the promissory notes therein specified on the thirtieth day of June One thousand eight hundred and eighty and the thirty first day of December One thousand eight hundred and eighty And that no further sum in respect of the said royalty should be paid by the said Company to the said Thomas Alva Edison until the said royalty should have made up the said sums of Five thousand pounds Ten thousand pounds and Ten thousand pounds with interest computed from the days of payment thereof respectively at the rate of Five pounds per cent per annum on the said sums of Five thousand pounds Ten thousand pounds and Ten thousand pounds or on such part thereof as on the first day of January in each year should not have been made up And (Clause 5) that in the event of such amalgamation as therein mentioned taking place between the said Company and the Edison Telephone Company of Glasgow Limited the sum of Ten thousand pounds paid by the Glasgow Company to the said Thomas Alva Edison by way of advanced royalty should be deemed and taken as a further payment by the said Company by way of advanced royalty and all the provisions of Clause 2 should extend and apply to that sum as well as to the said sums of Five thousand pounds Ten thousand pounds and Ten thousand pounds therein mentioned And whereas since the date of the hereinbefore recited agreement of the fifth day of May One thousand eight hundred and eighty the Promissory Notes for sums amounting altogether to the sum of Ten thousand pounds therein mentioned have been delivered to or on behalf of the said Thomas Alva Edison And whereas George Edward Gouraud and other persons have become and are interested through or under the

said Thomas Alva Edison and together with him in various shares in the Royalty and further advance of Ten thousand pounds and all other (if any) the monies interests benefits and advantages to which the said Thomas Alva Edison is or may be entitled by virtue of the said Agreement of the fifth day of May One thousand eight hundred and eighty And whereas for the sake of convenience it is considered expedient that the said royalty monies interests benefits and advantages other than and except the said promissory notes and the monies to become payable thereunder all which royalty-monies interests benefits and advantages (other than and except as aforesaid) are hereinafter referred to by and included in the term (the said benefits" shall be assigned to a Trustee to be held and disposed of by him in trust for the said Thomas Alva Edison and the said George Edward Gouraud and such other persons as aforesaid in the proportions and manner and with and subject to the powers and provisions hereinafter declared and contained Now this Indenture witnesseth that in consideration of the premises the said Thomas Alva Edison doth hereby assign the said benefits And all his right title claim and demand of to and upon the same and every part thereof unto the said Alfred George Renshaw his executors administrators and assigns And for the better and more effectually receiving the said benefits the said Thomas Alva Edison doth hereby appoint the said Alfred George Renshaw his executors administrators and assigns the Attorney and Attorneys of him the said Thomas Alva Edison in his name or otherwise to require enforce and receive payment delivery and assignment of the said benefits and every of them and every part thereof of and from the said company or any other company corporation person or persons who may be or become liable to pay deliver or assign the same respectively and to give effectual receipts and discharges for the same respectively and to sign the name of the said Thomas Alva Edison

to every or any deed document or instrument the signing whereof in relation to or connexion with the premises shall be necessary or convenient and generally to do or cause to be done all things necessary or convenient on or about the premises as effectually as the said Thomas Alva Edison could have done if these presents had not been executed And it is hereby agreed and declared that the said Alfred George Renshaw his executors administrators and assigns or other the Trustee or Trustees for the time being of these presents shall stand possessed of the said benefits and premises In trust for the person or persons now or for the time being interested therein and in the shares and proportions inter se in which he or they shall for the time being be so interested and to be disposed of as he or they shall direct But so that no person or persons shall be recognized as having or have any interest therein except a person or persons holding a Certificate or Certificates signed by the trustee or trustees for the time of his or their interest and of the share and proportion thereof and also signed by such person or persons in token of his or their assent to the trusts powers and provisions of these presents or except persons claiming through him or them by bequest representation or assignment the particulars of which shall have been formally notified in writing to the Trustee or Trustees for the time being And it is hereby further agreed and declared as follows -

1 If and whenever any question shall arise with respect to the modification or alteration of the said Agreement of the fifth day of May One thousand eight hundred and eighty or of any Agreement which may have been previously entered into for modifying and altering the same or otherwise with respect to the relations duties or liabilities between the said Company and the said Thomas Alva Edison or all or any of the holders of the said Certificates such question shall so far as regards the interests of the holders of the said Certificates be arranged or settled in such

manner in all respects as the holders for the time being of the said Certificates shall by a majority of at least two thirds of such holders voting in person or by proxy in proportion to their respective shares in the said Benefits direct and approve of And after such direction or approval it shall be the duty of the said Trustee or Trustees and he and they is and are hereby fully empowered to arrange and settle the same accordingly And that every such arrangement or settlement shall be binding or conclusive evidence upon all the holders of the said Certificates –

2 The Trustee or Trustees shall at all times keep a book and therein record the particulars of all Certificates granted by him or them and of all bequests representations or assignments duly notified to them as aforesaid and such book shall at all reasonable times be open to the inspection of any holder of a Certificate or his duly authorized agent –

3. The Trustee or Trustees shall reimburse himself or themselves or pay and discharge out of the trust premises and all expenses incurred in or about the execution of the trusts or powers of these presents – The Trustee or Trustees shall also from time to time be remunerated for his or their trouble and time by payment out of the trust premises or otherwise of such sums as any such majority of the holders of the said Certificates voting as aforesaid shall think fit and any such payment out of the said trust premises shall be binding and conclusive upon all holders of Certificates – The said Alfred George Renshaw and every future Trustee who shall be a Solicitor may by himself or his firm act as Solicitor to the trust premises and to the Trustee or Trustees for the time being and shall be entitled to charge and shall be paid for business done by him as a Solicitor in respect of the trust premises in the same manner as if he had not been a Trustee –

4 No Trustee or Trustees shall be answerable or accountable

except only for his or their own personal acts receipts neglects or defaults or shall be liable for any Banker Solicitor or other person with whom or into whose hands any trust premises may be deposited or come or for any loss incurred in transmission through the post or otherwise or for any other involuntary losses.

5 In case of the death or desire to be discharged or refusal or unfitness or the incapacity to act of the said Alfred George Renshaw or any other Trustee or Trustees the executors or executor administrators or administrator of the Trustee so dying desiring to be discharged refusing or becoming unfit or incapable to act shall appoint a new Trustee of these presents in his place:

6 All or any of the powers or provisions herein contained may be altered or modified and substitutional or new or additional powers or provisions applicable to these presents and the subject matter hereof may be declared by any such majority of the holders of the said Certificates voting as aforesaid and shall be as binding and conclusive upon all the holders of the said Certificates as if the same were contained in these presents

7 Nothing herein contained shall in anyway prejudice or affect the right or power of the said Thomas Alva Edison alone to nominate a Director of the said Company as provided in the articles of Association thereof or any appointments already or hereafter to be made by the said Thomas Alva Edison of the said George Edward Gouraud as the Director of the said Company nominated by the said Thomas Alva Edison under his said power or as the proxy of the said Thomas Alva Edison to hold and vote in respect of the vote or voting power by the Articles of Association of the said Company conferred upon the said Thomas Alva Edison

In witness whereof the said parties to these presents have hereunto set their hands and seals the day

and year first before written

Thomas Alva Edison (L.S.)

Alfred George Renshaw (L.S.)

Signed sealed and delivered by the within named Alfred George Renshaw in the presence of Arthur H. Renshaw 2 Duffield Lane Cannonsl SO Solicitor

State of New Jersey }
County of Middlesex } s.s.

Be it remembered that on this 16th day of July 1880 before me a Notary Public duly appointed in and for said County personally appeared Thomas Alva Edison who I am satisfied is the person described in and who executed the foregoing instrument and I having first made known to him the contents thereof he acknowledged that he signed sealed and delivered the same as his voluntary act and deed for the uses and purposes therein expressed.

(L.S.)

Stockton L. Griffin
Notary Public.

Her Britannic Majesty's Consulate-General, New York.

I Edward Mortimer Archibald Esq Companion of the most Honorable Order of the Bath Her Britannic Majesty's Consul General for the States of New York New Jersey Connecticut Rhode Island and Delaware. Do hereby certify that I have reason to believe that the signature subscribed and seal affixed to the certificate hereunto annexed are the true signature and seal of Stockton L. Griffin who was on the day of the date of said certificate a Notary Public in and for the State of New Jersey duly commissioned and sworn to whose Official acts faith and credit are due.

In witness whereof I do hereunto set my hand and seal of Office at the City of New York this sixteenth day of July in the year of our Lord one thousand eight hundred and eighty

(L.S.)

Edwards,
Vice Consul

Dated 16th July 1880

Mr. T. A. Edison
— to —
Mr. A. G. Renshaw

Assignment of the Interests of Mr. T. A. Edison under his Agreement with the Edison Telephone Company of London Limited upon trust.

Renshaws
2, Suffolk Lane
E. C.

We hereby certify that the within written document is a true copy of the original.
Dated this 10th day of August 1886.

Arthur H. Rushton
Solicitor
2 Suffolk Lane
London

Edwin Ellis
Solicitor
Clerk to Messrs Renshaw & Renshaw
2 Suffolk Lane EC
Lon

T. A. EDISON,

Menlo Park, N. J., July 16th 1880.

Geo. Palmer
17 Courtlandt St
N.Y.

Gourand cant see you
to-day but will look you up
to-morrow

Edison

T. A. EDISON,

Menlo Park, N. J., July 16th 1880.

Mr Reuter
C/o Cromwell
Rye
Gourand cant go tomorrow
but hopes see you Monday
New York

Edison

T. A. EDISON,

Menlo Park, N. J., July 16th 1880.

Whitelaw Reed
Tribune

When can you see Gourand for half-hour next week
He returns England in fortnight

Edison

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

Dated New York 16 188

Received at

To T A Edison

NP.

Mr Reid left for the west yesterday on a fortnights absence

D Nicholson

11 Paid Ho 4 50 Pm

Mr Gouraud requested me to inform him of contents of the above – Please see inclosed message I sent in your name as directed by Gouraud

by Ry Phillips for

(If not right advise me quickly)

READ THE NOTICE AT THE TOP.

Blank No. 2.

THE WESTERN UNION TELEGRAPH COMPANY.

ALL MESSAGES TAKEN BY THIS COMPANY SUBJECT TO THE FOLLOWING TERMS:

To guard against mistakes or delays, the sender of a message should order it REPEATED; that is, telegraphed back to the originating office for comparison. For this, one half the regular rate is charged in addition. It is agreed between the sender of the following message and this Company, that said Company shall not be liable for mistakes or delays in the transmission or delivery, or for non-delivery, of any UNREPEATED message, whether happening by negligence of its servants or otherwise, beyond the amount received for sending the same; nor for mistakes or delays in the transmission or delivery, or for non-delivery, of any REPEATED message beyond fifty times the sum received for sending the same, unless specially insured; nor in any case for delays arising from unavoidable interruption in the working of its lines, or for errors in cipher or obscure messages. And this Company is hereby made the agent of the sender, without liability, to forward any message over the lines of any other Company when necessary to reach its destination.

Correctness in the transmission of messages to any point on the lines of this Company can be INSURED by contract in writing, stating agreed amount of risk, and payment of premium thereon at the following rates, in addition to the usual charge for repeated messages, viz.: one per cent. for any distance not exceeding 1,000 miles, and two per cent. for any greater distance. No employee of the Company is authorized to vary the foregoing.

No responsibility regarding messages attaches to this Company until the same are presented and accepted at one of its transmitting offices; and if a message is sent to such office by one of the Company's messengers, he acts for that purpose as the agent of the sender.

Messages will be delivered free within the established free delivery limits of the terminal office—for delivery at a greater distance, a special charge will be made to cover the cost of such delivery.

The Company will not be liable for damages in any case where the claim is not presented in writing, within sixty days after sending the message.

A. R. BREWER, Secretary. NORVIN GREEN, President.

$ Menlo Park July 16 1880

Send the following message, subject to the above terms, which are agreed to.

To Gouraud
74 Madison ave
NY

Mr Reid absent for a fortnight left yesterday
for the west.

H D H Ho Ke Edison
4.50 pm

☞ READ THE NOTICE AND AGREEMENT AT THE TOP.

T. A. EDISON,

Menlo Park, N. J., July 16th 1880.

I beg to acknowledge the receipt of your letter of the first instant. When you first proposed that I should take in liquidation of my reversionary interest in the London Company £10,000. cash or shares of the United Company, before replying I gave your suggestion very careful consideration. and decided that I should

rather take my chances than accept so small an amount. and I regret to feel obliged to say that I do not see my way clear for changing the conclusion that I then came to — I have again considered the matter more fully with Col Gouraud. and while ~~on the other side~~ we are perfectly content to ~~have~~ have carried out what

T. A. EDISON, 3

Menlo Park, N. J., 1880.

was recently understood to be
the desires of the board including
yourself that the company
should be ~~concluded with~~ continued for the
purpose of carrying out its
contracts with me (but which
you now inform me you do not desire
~~it~~ but rather liquidate the
company at an early day) ~~always~~ ~~I am~~ I am
anxious as far as lies in my

T. A. EDISON,

1

Menlo Park, N. J., 1880.

power. with only a reasonable legal ~~[illegible]~~

~~[illegible]~~ for my own interest.

I have at your request again carefully considered the subject of a division of the United shares. with a view to liquidating the Co

As I understand it the total issue of shares of the Edison London Company when its amalgamation with the Glasgow Company is completed will be £72,000.

T. A. EDISON, 5

Menlo Park, N. J., 1880.

The ~~total~~ only assets of the Company will be ~~only~~ £115,000 ~~in~~ shares of United Company ~~will then be £115,000~~. now I think that if each shareholder of the London Company were to receive pound for pound in United Company shares as a repayment for total Capital invested and a bonus of 30% on the shares in the United Company. that

T. A. EDISON,

Menlo Park, N. J., 1880.

considering that his investment will only have existed about a year he will have no reason to complain.

This will be the result if after giving pound for pound the difference between £72000. and £115000 were equally divided. as this is a subject that I really do not feel myself competent to

T. A. EDISON,

Menlo Park, N. J., 1880.

being so far-away
Judge. and as Col Gouraud
and the Gentlemen in my
Laboratory are interested
with me in this matter, and as I would
not do anything without their full
concurrence ~~in the circuit~~
~~concert, and having regard to~~
~~circuit plan~~
~~all the circumstances of the case~~
and as there is allready some
little diversity of opinion among
us on the subject
~~to~~. I have thought it best to

T. A. EDISON,

8

Menlo Park, N. J., 1880.

place the whole matter of my reversionary interest in the hands of a Trustee. ~~and I have accordingly executed a deed to that~~ permanently resident in London

effect. and as Col Gouraud will be much away from England this year. I have decided to make Mr A G Renshaw the Trustee. & I have accordingly executed a deed a copy of which I have requested ~~I have also requested Mr Renshaw~~ Mr. Renshaw to file with the Co ~~furnish you with a copy of the~~

T. A. EDISON, 9

Menlo Park, N. J., 1880.

you will find him entirely prepared to deal with the question whenever you find it expedient to raise it - I have no doubt you will mark a material satisfactory advance in

pleasure the satisfaction you express at the amalgamation of the Companies, and sincerely hope the United Company will be a success. and I feel confident that nothing but bad management can prevent it.

English Telephone Boy

Copy of letter to Bourcier

July 16 1881

THE WESTERN UNION TELEGRAPH COMPANY.

A. R. BREWER, Sec'y. 2 NORVIN GREEN, President.

Dated New York 18 188

Received at

To T A Edison
Menlo Pk

Please have Griffin
stay at Menlo tonight
Witness documents

G E Gouraud

9 Rd 25 $\frac{\text{A}}{\text{X}}$ C 310 pm

READ THE NOTICE AT THE TOP.

E H Johnson

Geneva Swiss July 20/80

My Dr Edison

I am today in receipt of letter from London indicating that the United Co will write you on the subject of the desertion of Rose & ~~the~~ whole gang of my American Boys - You will simply say "served em right" when you hear my story - so please content yourself with that assurance for the present. & make any reply you please to them. They sought to put the Am^n Boys on the same footing as the inexperienced & Cheap English blockheads & neither the aforesaid Boys or myself could see it - so I got them all good positions Elsewhere - You may.

finish & turn the stone as you please you will come back & this point Everytime - & if you don't approve this action as well as mine my name Aint Johnson or yours Edison
I suppose you have been making a New deal with G. Ely. While I am wasting my time & Calling these mountains - but I take the chances. I only wish you were with us to spend a fortnight among the Snow. It would do you good. I go from here to Paris Saturday next. will be there 10 days, & look about. will see what I can of interest to you & report when I get home - Arizona Aug 21

Molly Bors. Fearful Hot here - going up to Mt Blanc in morning E H J

2, Suffolk Lane,
~~London E.C.~~ Cannon Street,
London, E.C. 27 July 1880

OK file. Gerrard

T. A. Edison Esq:
Menlo Park
New Jersey. U.S.A.

Dear Sir

We have to acknowledge — receipt of your letter addressed to our Mr. A. G. Renshaw of the 16th instant — enclosing a deed of Trust.

We will send you as soon as possible a certified copy of the same as requested.

Yours faithfully

Renshaw Renshaw

T. A. EDISON,

Menlo Park, N. J., July 29, 1880.

Memorandum of Agreement made this day between Thomas Alva Edison and George Edward Gouraud referring to a joint letter addressed by the undersigned this day to A. G. Renshaw Esq. trustee, London in the matter of the so called "Edison Reversionary Interest" in the Edison Telephone Company of London Limited.

The undersigned hereby agree not to sell any portion of their trustees certificates to be received under deed of trust dated July 16, 1880 by A. G. Renshaw to such an amount as will in the aggregate exceed one third of the total of said certificates without mutual agreement in advance. The object of this being

that the undersigned shall together hold not less than the necessary two-thirds to the control of the same.

Witness S. L. Griffin

Witness S. L. Griffin

Thos A Edison

Aug 32 80

Edison
Menlo Park

Will combine my switch
with Magneto using
weights preserve simplicity
Efficiency Exchange System

Johnson

16 Paris

The United Telephone Company, Limited,

(Bell's and Edison's Patents.)

36, Coleman Street,

London, E.C. Aug 3rd 1880.

T. A. Edison Esq
Menlo Park
New Jersey
U.S.A.

Dear Sir,

I have to acknowledge the receipt of your letter of July 19th, and in reply beg to state, that the original Patent No 2909 is in this Company's possession, and that the stamp was duly affixed

I am,
Dear Sir,
Yours faithfully.

Mark Mill

matter has been referred to Edison's atty

Edison Co London

Lindmoor
Aug 6 '80

T. A. Edison Esq
Dear Sir

In carrying out the proposed arrangement with the London Edison Co. as to the amalgamation of the Glasgow Edison Co with it they propose to pay the Glasgow Co the sum of £17000 in cash - and the Glasgow Co to liquidate and discharge all its own liabilities

In doing this should we pay in an additional £5000 the Glasgow Co

will have disbursed some £18000 or £19000, from which they get £17000 leaving a loss of from £1000 or £2000 to fall upon a very respectable list of about 20 shareholders.

It seems to me in view of the future of Telephone interests in so important a Centre as Glasgow that it is impolitic to allow a feeling of loss or disaster to the shareholders in a recent Edison enterprise to be current and I have ventured to propose to you that inasmuch as the Glasgow Co. are paying a large sum and have had no dividend or interest whatever ~~that~~ that it might be desirable to prevent such a feeling which can only be done by your making some concession from the £10.000 £5000 of which you have already received and £5000 of which is still to be paid. I would propose that you concede from this sum from £1000 or £2000, not exceeding the latter figure. We should only take what is absolutely necessary. Trusting you will give this your favorable

consideration (and if you have not already done so through Mr Gourand reply to my cable of to day) cable me your answer to "MOORE Glasgow."

I am Yours very truly.

M M Moore

Blank No. 11.

Wire to Cy
Cy
Lond. Cos.
Moore
London
wire 00 forward
Sep 7 a E

CABLE MESSAGES.

The Western Union Telegraph Company

All messages destined for points beyond the United States, via the Atlantic Cables and the Cables to Cuba, which are received by this Company for transmission, will be so received and sent forward over its lines to the terminus thereof, and there delivered to the next connecting Telegraph Company, only on the terms and conditions printed on the back hereof.

A. R. BREWER, Sec'y. NORVIN GREEN, President.

Menlo Park Aug 5 1887

Send the following Message, subject to terms and conditions printed on the back hereof, which are agre[illegible]

To Edison

file forward Menlo Park New Jersey

Glasgow company in paying additional five and accepting London terms lose about 2000 will you abate what may be required as to this so we make no loss.

Moore

3 14 London 6.30 Pm

T. A. EDISON,

Menlo Park, N. J., (Aug 7) 1880.

The Edison Telephone Company of London Limited.

I Thomas Alva Edison of Menlo Park in the County of Middlesex State of New Jersey United States of America being a member of the Edison Telephone Company of London Limited hereby appoint Alfred George Renshaw (being likewise a member of the Company) as my proxy to vote for me and on my behalf as holder of shares at the Ordinary (or Extraordinary as the case may be) General meeting of the Company to be held on the day of and at any adjournment thereof

As witness my hand
this 7 day of August A D 1880

(signed) T A E

Witness [illegible]

Notary certificate
(British Consuls do follow)

T. A. EDISON,

Copy

Menlo Park, N. J., (Aug. 7) 1880.

The Edison Telephone Company of London Limited

I Thos Alva Edison of Menlo Park in the County of Middlesex, State of New Jersey United States of America being a member of the Edison Telephone Company of London Limited hereby appoint George Edward Gouraud (being likewise a member of the Company) as my proxy to vote for me and on my behalf as holder of Shares at the (Ordinary or extraordinary as the case may be) General meeting of the Company to be held on the day of and at any adjournment thereof.

As witness my hand this 7 day of August A D 1880

(signed) T. A. E.

Witness S. L. Griffin

(Notary & Brit Consuls Certificate follow)

c/

2, Suffolk Lane,
Cannon Street,
London, E.C. 10th Aug 1880

T. A. Edison Esq
Menlo Park
New Jersey U.S.A.

Dear Sir
We now send you, as requested, a copy of the deed of trust made by you in favor of our Mr. A. G. Renshaw.

Yours faithfully
Renshaw & Renshaw.

MANOR HOUSE,
MARKET LAVINGTON,
WILTS.

August 26. 80.

Answ. Sept 11/80

My Dear Sir,

Mr. Moore, who has been chairman of the Glasgow Edison Telephone Co. has - I am aware, written to you a few days ago - about the position of the Co. & the probable deficiency which will be shown in its

capital - when the whole concern is wound up. He told me of the suggestion he had made to you that you might consider the circumstances of the case to be such, as to induce you to waive requiring of the Co. the full payment of the second instalment of the advanced Royalty due to you: by a sum of from 1000 to 2000 £.

It is evident, that the gentlemen composing the Co. will otherwise lose a portion of their investment. If they will have no opportunity of recouping themselves the advance so made, out of the future profits of the Co. as these profits will be nil. This is a consideration, which I think, may possibly - may fairly

weigh with you - in giving a favorable consideration to Mr. Morris's wish - It must be admitted, I think that the Glasgow Co. has not worked very satisfactorily - either to you, or to the London Co. still it may be worth while to take a step which will be acceptable & conciliatory to a no. of influential gentlemen in Glasgow. I should hope the London Co. would at my request be willing to make a corresponding abatement in their share of the Royalty - Any you may report to me.

Yours truly
J. P. Bonavene

T. A. Edison Esq

Copy

Waterhouse & Winterbotham
Solicitors

1 New Court
Carey Street
Lincolns Inn W.C.
21st Aug 1879

Dear Sir

re Butcher

We are obliged by your letter of the 20th inst and enclose as requested Copy Case & Opinion of Mr Cozens-Hardy - Also copy of Col Gowrand's indemnity against costs -

The existence of the Agreement with Mr Butcher was known to us as Solicitors for the Company at the commencement of the negotiations & its effect has been carefully considered - All the Shareholders had notice of it before they took their Shares

We are, Dear Sir
Yours faithfully
Waterhouse & Winterbotham

Arnold White Esq
11 Queen Victoria Street
E.C.

Copy

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

This Company TRANSMITS and DELIVERS messages only on conditions, limiting its liability, which have been assented to by the sender of the following message.

Errors can be guarded against only by repeating a message back to the sending station for comparison, and the Company will not hold itself liable for errors or delays in transmission or delivery of Unrepeated Messages.

This message is an UNREPEATED MESSAGE and is delivered by request of the sender, under the conditions named above.

A. R. BREWER, Sec'y. NORVIN GREEN, President.

Dated Aug 23 rd 1880

Received at Menlo Park 23

To Griffin

Secretary Edison Co
Menlo Park N J
where instruments
urgency cable
answer

Bouguie

12 Broxell

READ THE NOTICE AT THE TOP.

2, Suffolk Lane,
Cannon Street,
London, E.C. 23rd Aug. 1880

T. A. Edison Esq,
Menlow Park, New Jersey, U.S.A.

Dear Sir

I have duly received your powers of attorney dated 7th Aug 1880 in favour of Col. Gouraud & myself to vote your Stock at any shareholders meeting of the Edison Telephone Coy of London, Limited.

Yours faithfully,

A. G. Bruce

THE EDISON TELEPHONE COMPANY OF LONDON,

LIMITED.

44, Gresham Street, E.C.

26th August, 1880.

Sir,

I am instructed to inform you that in pursuance of the requisition made to the Directors, a copy of which is printed on the other side, an Extraordinary General Meeting of the Members of The Edison Telephone Company of London, Limited, will be held at the Offices of Messrs. Price, Waterhouse, and Co., as above, on Wednesday, the 15th day of September, 1880, at 2 of the clock, in the afternoon precisely, for the consideration of the business specified in the said requisition.

I am, Sir, your obedient Servant,

ARNOLD WHITE, *Secretary*.

To
T. A. Edison Esq
Menlo Park
New Jersey U.S.A.

London, 19th August, 1880.

To the Directors of

THE EDISON TELEPHONE COMPANY OF LONDON, LIMITED,

44, GRESHAM STREET, LONDON, E.C.

We, the undersigned being Members of THE EDISON TELEPHONE COMPANY OF LONDON, LIMITED, for the number of Shares set opposite our respective names hereunder, request you to convene an Extraordinary General Meeting of the Shareholders of the Company with the following object :—

To consider the expediency of winding up the Company, and after satisfying any out-standing claims, of distributing rateably amongst the Members of the Company the assets of the Company, including the Shares of THE UNITED TELEPHONE COMPANY, LIMITED, now held by the Company.

DILLWYN PARRISH	55
GEORGE RICHARDSON	6
GEORGE HOPKINS	13
JOHN S. SELLON	10
B. ISAAC	7

THE

EDISON TELEPHONE COMPANY OF LONDON,

LIMITED.

44, Gresham Street, E.C.

26th August, 1880.

Sir,

I enclose a form of Proxy which, in the event of your being unable personally to attend the Extraordinary General Meeting of the Company, called for the 15th of September next, I shall be obliged if you will sign and forward to me as above, so that I may receive it not later than 24 hours before the time for holding the Meeting. The Board consider it of importance that they should be able to feel that they can give expression to the opinion of the bulk of the Shareholders with respect to any course which, after due deliberation, and on the best advice, they may think it desirable in the interest of the Company to recommend for adoption.

I am, Sir,

Your obedient Servant,

T. A. Edison

E. P. BOUVERIE,
Chairman.

[*Proxy.*]

THE EDISON TELEPHONE COMPANY OF LONDON, LIMITED.

I, Thos. Alva Edison of Menlo Park New Jersey, in the ~~County of~~ United States of America, being a Member of THE EDISON TELEPHONE COMPANY OF LONDON, LIMITED, hereby appoint the Right Honorable EDWARD PLEYDELL BOUVERIE, of 44, Wilton Crescent, in the County of Middlesex, failing whom, SAMUEL LOWELL PRICE, of 44, Gresham Street, in the City of London, failing whom, THEODORE WATERHOUSE, of 1, New Court, Lincoln's Inn, in the County of Middlesex (being likewise Members of the Company), as my Proxy, to vote for me and on my behalf, as holder of Shares, at the Extraordinary General Meeting of the Company, to be held on the 15th day of September, 1880, and at any adjournment thereof.

As witness my hand this day of September, 1880.

CABLE ADDRESS.
"GOURAUD, LONDON."

6, Lombard Street, E.C.

London 20th Aug 1880

Thos A. Edison Esq
Menlo Park,
New Jersey

Dear Sir

As requested I beg to enclose you statements of the joint Account, in Edison Telephone Coy of London shares and Edison Telephone Company of Glasgow shares, between yourself and Mr Gouraud

I also enclose statements of your personal Telephone shares & also that of the London Coy showing a credit cash balance of £25 and that of the Glasgow Coy £350

Referring to your favour of 16th inst I enclose you copies of the two Powers of Attorney re Telephone for Australia & certain foreign countries also a printed copy of the Supplemental Agreement

The Lancashire Boroughs Agreement is not in print I will however obtain a copy from Waterhouse & Winterbotham & forward it to you as soon as possible Yours truly

Saml Lowe

[ENCLOSURE]

Thomas Alva Edison in account with George Edward Gouraud

Edison Telephone Company of London Shares

1879 Aug 25	To Joint Account Half share of 1st call on ten shares	250		1879 May 24	By Cash	500	
"	" Balance	250					
		500				500	
1880 Jan 22	To Joint Acc. Half 2nd call on ten shares	75			Balance down	250	
"	" Balance	175					
		250				250	
June 21	To Joint Acc. Half 3rd call on ten shares	75			Balance down	175	
"	" Balance	100					
		175				175	
July 1	To Joint Acc. Half 4th call on ten shares	75			Balance down	100	
"	" Balance	25					
		100				100	
					Balance down	25	

E.E.O.E. 28th August 1880

[ENCLOSURE]

Thomas Alva Edison and George Edward Gouraud

Joint Account

Edison Telephone Company of London Shares

1879 Aug 25	To Cash - First call on Ten shares	500	.	.	1879 Aug 25	By T. A. Edison - Half 1st call on ten shares	250	.	.
					" "	" G. E. Gouraud " "	250	.	.
		500	.	.			500	.	.
1880 Jan 22	To Cash - Second call on Ten shares	150	.	.	1880 Jan 22	By T. A. Edison - Half 2nd call on ten shares	75	.	.
					" "	" G. E. Gouraud " "	75		
		150	.	.			150	.	.
June 21	To Cash - Third call on Ten shares	150	.	.	June 21	By T. A. Edison - Half 3rd call on ten shares	75	.	.
					" "	" G. E. Gouraud " "	75	.	.
		150	.	.			150	.	.
July 1	To Cash - Fourth call on Ten shares	150	.	.	July 1	By T. A. Edison - Half 4th call on ten shares	75	.	.
					" "	" G. E. Gouraud " " "	75	.	.
		150	.	.			150	.	.

E. & O. E. 28th August 1880

N. B.

~~There~~ still remains £8 a share ~~to be~~ called up to make £100 per share

[ENCLOSURE]

Thomas Alva Edison and George Edward Gouraud

Joint Account

Edison Telephone Company of Glasgow shares

1879 Nov 15	To Cash First call on 20 shares	1000	.	.	1879 Nov 15	By T. A. Edison Half share 1st call 20 shares	500	.	.
					"	" G. E. Gouraud " " "	500	.	.
		1000	.	.			1000	.	.
1880 June 30	To Cash Second call on 20 shares	300			1880 June 30	By T. A. Edison Half share 2nd call 20 shares	150	.	.
					"	" G. E. Gouraud " " "	150	.	.
		300	.	.			300	.	.

E. & O. E. 23rd August 1880

N. B.

There still remains £35 a share to be called up to make £100 per share

[ENCLOSURE]

Thomas Alva Edison in account with George Edward Gouraud

Edison Telephone Company of Glasgow shares

1879 Nov 15	To Joint Account - Half share of First call on 20 shares	500	.	-	1879 Dec 22	By Cash		1000	.	-
	" Balance	500								
		1000	.	-				1000	.	.
1880 June 30	To Joint Account - Half share of Second call on 20 shares	150	.	-		Balance down		500	.	.
	" Balance	350	.	.						
		500	.	.				500	.	-
						Balance down		350	.	.

E. G. P. 23rd August 1880

CABLE ADDRESS.
"GOURAUD, LONDON."

6, Lombard Street, E.C.

London 9th Sept 1880

Thos A. Edison Esq
Menlo Park
New Jersey

My Dear Sir

I now enclose you copy of the Lancashire Brought Agreement which you asked me for in your favour of 16th - will

Yours truly

Geo. L. Gouraud
per L.L.

T. A. EDISON,

Menlo Park, N. J., Sept 11 1880.

The Rt Hon. E. P. Bouverie

Dear Sir:

Your favor of Aug 16th to hand.

I am compelled to refer the matter of the Glasgow rebate to Col Gourand as when he was last here I placed my interests in his hands, it being impossible for me to give them my personal attention

Whatever Col Gourand may elect to do in the matter will of course receive my approval

Very truly Yours

A. G. Renshaw Esq.

2, Suffolk Lane,
Cannon Street,
London, E.C. 11th Sept. 1880

Dear Sir

Butcher v. Easin

I enclose Edwin's affd of docs. Please have same sworn and alterations initialed.

I also enclose a letter for you.

Yours faithfully
Edwin Ellis

P.S. The affd should be sworn before a notary whose signature should be verified by the British Consul
E.

Have you forwarded the document before Consul

Newark Sept-12/80.

Thomas A. Edison Esq
Menlo Park
N J.

Dear Sir.—

Have just returned from Scotland, a week since. Should like very much to get a position in the business again, as I'm satisfied I can do thoroughly all the work connected with the Exchange system. Have with me. A 1 letters of recommendation from Manager of our Company, also have "carte blanche" with several prominent names in Scotland as references. If you can put me in the way of obtaining a position in the Telephone business at or in any place, I should be very grateful, should be glad to hear from you. Yours Sir

Your Obedient Servant
Wm H. Gregory
28 Marshall St

Newark N J.

CABLE ADDRESS.
"GOURAUD, LONDON."

S.S. Republic
6, Lombard Street, E.C.
London 21st Sept 1880

Thos Alva Edison Esq
Menlo Park
New Jersey
U.S.A.

My Dear Sir

Referring to your favour of 24th ult with enclosures I now beg to return you herewith copy of the Pond Agreement marked X which I have signed.

In comparing the two copies I found that the enclosed had several counts cut out and I accordingly made the necessary corrections in order to make it correspond with the duplicate I retain.

Yours very truly

G Gouraud

S. S. City of Richmond

CABLE ADDRESS.
"COURAUD, LONDON."

6. Lombard Street, E.C.
London 23rd Sept 1880.

Thos Alva Edison Esq
Menlo Park
New Jersey

My Dear Edison,

Provincial Telephone business in England
The Pond Improvements — It has been found necessary to return to my old scheme of District Companies as the only effective manner of conciliating local interests which it is felt is indispensable to the successful working. To this end a provincial Coy or Syndicate is to be formed and I have been asked to take an interest in it. This Syndicate proposes to work Belfast Edinboro Glasgow Yorkshire Birmingham and a number of the other principal towns of the country. Negotiations are practically concluded which will ~~guarantee satisfactory~~ prove favourable to both the Syndicate and the United Coy

and which will probably guarantee 10% dividend on the United Coy Stock even if they do no other business. I shall probably take a large interest in this & also a very active part in the management. I have been requested by the Chairman of the United Coy and by the Committee with which the negotiations were made to do this they being of the opinion that notwithstanding my connection with the United Co Board yet having had nothing to do with the negotiations there cannot possibly be any impropriety in my taking this step

As the Syndicate for the provincial exchanges will have the right to use any telephone heretofore or hereafter used by the United Coy and each has been determined to use instruments of an uniform pattern throughout the provinces it is of the greatest importance that the Pond Indicator be used in the first of these exchanges. I have spoken to the members of the Syndicate about it and they seem very much impressed by the description

3. of it and they will I believe agree to pay a handsome royalty for the use of it. Therefore the object of this letter is to urge you to have the thing perfected as quickly as possible and as soon as it is ready send it over with a good man — I should think our friend Mackenzie would be the man but you know best.

The whole question of a syndicate for the Provinces has arisen from the resolution of feeling in favour of Americans to do this work. You will remember that after the amalgamation of the old staffs of the Bell & Edison Companies the Americans were all discharged. This was no doubt because of White's toadyism to Col Webber who was an Englishman and desirous of putting in Englishmen to the exclusion of Americans and all the Americans were left out in the Cold. The principal & controlling Directors of the United Coy (in which catagory

4 I do not include Mr Bourne who is taking a back seat) there is a unanimous feeling in favour of Americans to do this business and there is every reason to suppose that the future development of the telephone in this Country at least will be practically accomplished by Americans

It is an incalculable pity that Johnson is not here now as it is difficult to replace him. It may be necessary to bring Rae here for a time

Yours very truly

[illegible]

S. S. City of Richmond

6, Lombard Street, E.C.
London 23rd Sept 1880

CABLE ADDRESS,
"COURAUD, LONDON."

Thos A. Edison Esq
Menlo Park
New Jersey

Dear Edison

Edison Telephone Coy of London Limited
I am taking such steps as will probably result in my obtaining the desired number of shares. Aside from the advantages of control this will prove a very profitable employment of the money as the shares are worth a great deal more than anybody now holding them is aware and nobody has such an opportunity of knowing exactly what they are worth as you and I as the limit is necessarily fixed by the least we will take for our reversion

Yours very truly

[signature]

Denver & Rio Grande Railway Company,

17 CORTLANDT STREET,
(Coal and Iron Exchange,)

WM. J. PALMER,
President.

New York, Sept 23d 1880

My dear Sir,

Would you please send me word here if it would be convenient for me to call on you at Menlo Park on Tuesday next the 28th inst: & if so at what time

Believe me

Yours truly

A. G. Renshaw

wrote Renshaw
All right – Come tomorrow will be pleased to see you –

T. A. Edison Esq.

[ATTACHMENT]

CABLE ADDRESS.
"COURAUD, LONDON."

6, Lombard Street, E.C.
London 10th Sept 1880

Thos Alva Edison Esq
Menlo Park
New Jersey

My Dear Edison,

Any formal introduction of Mr Renshaw would be superfluous. You will I know be only too pleased to show him everything of interest at Menlo.

Mr Renshaw is on his way to Colorado on a flying trip and will therefore have but little time to spend with you.

If the Light Show should come off while he is in America please make a point of letting him know the date sufficiently in advance to enable him to be on hand as aside from the pleasure to himself it would be a great advantage to all concerned if on his return he is able to state what he saw with his own eyes.

Yours very truly
[illegible]

Mr R. takes out to you your Certificate of interest in the Edison Tel. Co. of L'd Trust.

A. Reckenzaun
6, Lombard Street, E.C.

CABLE ADDRESS,
"GOURAUD, LONDON."

London 28th Sept 1880

Thos Alva Edison Esq
Menlo Park
New Jersey U.S.A.

Dear Edison

Edison Telephone Coy of London. There was an Extraordinary meeting of the shareholders held a few days since at the instigation of a number of shareholders who desire to divide the United Company shares and liquidate the Coy to save otherwise unnecessary expense. This thing has worked out just as I expected. The shareholders want the division and do not see any reason to pay Directors simply to speculate with United Coy shares. Seeing the temper of the shareholders the Board decided evidently with considerable reluctance to fall in with the spirit of the movement rather than oppose it and so the meeting came off quite amicably and results

2 in unanimous resolutions ~~having~~ instructing the Board to negotiate with the Trustee of the Edison Receiving with a view to arriving at a basis of settlement and requiring the Board to report the result at an Extraordinary General Meeting to be held prior to the Ordinary general meeting for this year.

In Mr Renshaw's absence the negotiations have been opened with me and I was yesterday informed that a written proposal would be made me in the course of a day or so.

Numerous speeches were made at the meeting and I was called upon to give an explanation as to the Trust and so far as I was able the views of the Parties ~~to the~~ interested in the Trust. which I did in such a way as to receive repeated expressions of approval. I made it clear to them that the parties interested would readily assent to a division upon fair and equitable terms; that meanwhile the Trust Certificates were as negotiable and their value as

3 ascertainable as the shares of the Coy itself, as the value of the one could not be ascertained without determining the value of the other which they seemed to see. There seemed considerable disappoint. of Mr Bouvenes course in abandoning the negotiations at the time when he made the proposition which you declined and the shareholders are evidently determined that they shall not be dropped this time but settled upon some equitable basis They all clearly see that the investment has turned out a very handsome one and I told them that we were prepared to settle on a basis which would leave them an extremely good profit.

In this connection I must tell you that my worst suppositions about White and Bouvene are fully realized and this is conclusively proved by a memorandum drawn up by White and referred by the Board to Counsel for opinion. This memorandum is the most barefaced expression of a most unfair intention on the part of the

A Boards as you will be able to see for yourself when you read the memorandum which I will endeavour to send you by this or next mail. In a word it was no less than an ~~attempt~~ scheme by which the Edison shareholders should sell their shares to the United Telephone Co, thus leaving you to fight the question of your interest with the that Co, instead of settling with the Edison Co.

This however was found to be impracticable and they pretty well see they have got to deal on the square and so they mean to do it.

Yours very truly

[illegible]

J. Waterhouse Esq
1 New Court
Carey Street. W.C.

Copy

47 Lincolns Inn Fields
London W.C. Oct 30/79

Dear Sir

Telephone Co.

I have now the pleasure to send you copy of the Specification No 2909 altered as I propose in accordance with Mr Webster's opinion.

I think the 2nd claim is quite sufficient to cover the Tension Regulator and we shall thus avoid the necessity for altering the 3rd claim by striking it out altogether. I consider also that the 20th claim covers the really novel features of the Phonograph and that the Patent will be the stronger if the 9th and 10th claims are excised. There will then remain 4 claims covering 4 specific features, viz.,

1. Mica Diaphragm
2. Tension Regulator
3. Receiver
4. Phonograph

I return you the copy of the specification altered by Mr Webster as requested

I am, Dear Sir, Yours truly
(sgd) J Henry Johnson

Denver & Rio Grande Railway Company,

PRESIDENT'S OFFICE:
17 CORTLANDT STREET.

W. J. PALMER,
President.

New York, Novr 15th 1880

My dear Sir,

I am back here this morning from Colorado. Will you be in New York this week. & if so, let me know where I can see you. or otherwise let me know what day I can find you at Menlo Park. I am sailing for England on the 24th inst.

Yours very truly
A. A. Renshaw

CABLE ADDRESS.
"COURAUD, LONDON."

6. Lombard Street. E.C.
London Nov 20 1880

File

Thomas A Edison Esq
Menlo Park,
New Jersey.
U. S. A.

My dear Edison,

You may have heard of White's disgrace, and the conspiracy that is on foot in the United Company on the part of the Edison directors, no doubt stimulated by White. I have just come across a document which will satisfy you and Johnson very fully as to the wily ways of EPB and A.W. as shown by a memorandum of which I send you a copy, and the purport of which is too obvious to require any comment upon my part. You will be surprised to further learn as I was when I ascertained it that instead of this audacious and shameful proposition being consigned to the flames, and its author consigned to oblivion, that actually Bouverie sent this document to counsel for opinion as to whether it was practicable to carry it out and counsel advised that it was not. I shall also send you copy of this counsel's opinion. This attempt to do you out of the just fruits of your honest labours

2/ I venture to say was never attempted in the whole course of your chequered experience.

Yours Sincerely

[illegible]

But forget my L.L. equipment for "Little Menlo"

[TRANSCRIPTION FOLLOWS]

Memorandum.

As the great majority of the Shareholders of the Edison Company are desirous of exchanging their [illegible] shares [illegible] of the United Telephone Company, [illegible] to them, for the liquidation of the company, it has occurred to me that a capitalist may be found who shall buy the shares of the [illegible] or shareholders and that, that capitalist be the United Telephone Company Limited. As the transaction is one [illegible] will be between the [illegible] and each individual Edison shareholder and as between the two companies [illegible] rights will not be affected, [illegible] will not be competent to [illegible] to object.

With regard to the consideration [illegible] purpose that [illegible] should pay the United Company £15 in cash on [illegible] of the [illegible] the shares [illegible] for [illegible] share certificate, their rateable proportion of the £15, [illegible] paid to the Edison Company by the United Company.

The United Company will then be in point of fact, the Edison Company plus so many of the Edison shareholders as [illegible] in the arrangement.

Mr Edison will have the United Company to deal with, a powerful company with money at its back, instead of a soul without a body, as is the ghost-like Edison Company of the present time.

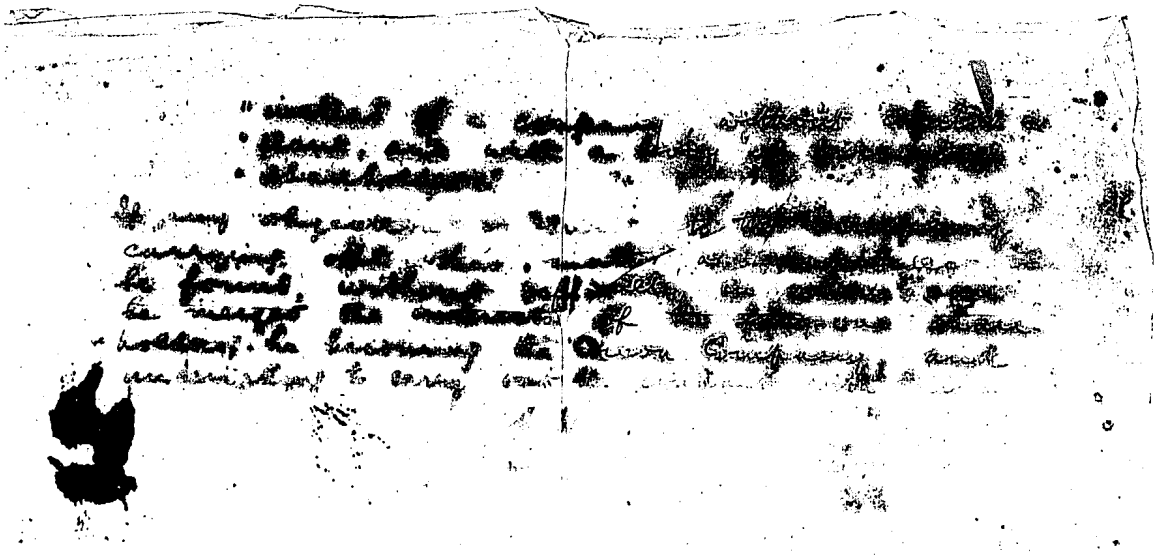
The advantages are as follows:

[illegible] will exchange an [illegible] value [illegible] and [illegible] realised [illegible] will make [illegible] cash [illegible] risk.

Mr Edison will have a strong company [illegible]

at which

[TRANSCRIPTION FOLLOWS]



[TRANSCRIPTION FOUND IN DOCUMENT FILE]

Copy of enclosure in letter of Nov. 20, 1880 from Col. G.E.Gouraud to Edison.

MEMORANDUM

As the great majority of the shareholders of the Edison Company are desirous of exchanging their unsaleable Edison scrip into stock of the United Telephone Company, and as Mr. Edison has rejected overtures made to him for the liquidation of the Company, it has occured to me that a capitalist may be found who shall buy the shares of the Edison shareholders and that, that capitalist be the United Telephone Company, Limited. As the transaction is one that if it takes place, will be between the United Company and each individual Edison shareholder and not between the two companies, Mr. Edison's rights will not be affected, and it will not be competent to him or to his representive to object.

With regard to the consideration, I propose that the Edison shareholders should pay the United Company 15 pounds in cash on each of their shares and that they should receive in exchange for this cash and their share certificates, their rateable proportion of the 15,000 pounds paid to the Edison Company by the United Company.

The United Company will then be in point of fact, the Edison Company, plus so many of the Edison shareholders as do not join in the arrangement.

Mr. Edison will have the United Company to desl with, a powerful company with money at its back, instead of a soul without a body, as is the ghost-like Edison Company of the present time.

The advantages are as follows:

"The Edison shareholders will exchange an insoluable for a soluable stock, and the value of their proportion will be ascertainable at pleasure and equality capable of being realised.
"The Edison Company will make 10,000 poinds in cash with absolutly no risk.
Mr. Edison will have a strong company
enforce his rights instead of a company without capital or plant, and with a body of disconted shareholders"

If any objection are raised to the Company carrying out this matter a capitalist can be found, without defficulty, in whom can be merged the interests of the fifty-one shareholders, he becoming the Edison Company, and undertaking to carry out the contract with Edison.

A.W.(hite)

The Edison Telephone Company of London, Limited.
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.

MANAGER & SECRETARY.
ARNOLD WHITE.

London Nov 21st 1879.

T. A. Edison Esq.
Menlo Park.
New Jersey. U.S.A.

Dear Sir,

I have to-day sent you cable message as follows:

"Ten Thousand pounds here on account Lancashire shall we pay Gouraud for you or how otherwise"

which I now confirm

I am

Dear Sir

Yours faithfully

Arnold White

Manager

London Nov 21 80
Arnold White

No ans

CABLE ADDRESS,
"GOURAUD, LONDON."

6, Lombard Street, E.C.
London Nov 27th 1880

T. A. Edison, Esq,
Menlo Park,
New Jersey - U. S. A.

Dear Edison

I confirm receipt of the following cable from you

"Close up London
Need my money"

To which I replied
Nov 25th
"Draw fifty day two thousand pounds".

I notice that you still address me Menlo Park London and sign it. For the future address me 'Noside London (your name spelled backwards) without signature and I shall know that it comes from you.

Yours Truly
[signature]

I can't "close the thing up" because I know you may wire - but you must always have money when you "want it"

I have to do it for you

THE EDISON TELEPHONE COMPANY OF LONDON,

LIMITED.

NOTICE IS HEREBY GIVEN that the Second Ordinary General Meeting of the Shareholders of the Edison Telephone Company of London, Limited, will be held at the Offices of the Company, 44, Gresham Street, in the City of London, on Wednesday, the fifteenth day of December next, at Two o'clock in the afternoon precisely.

ARNOLD WHITE,

Secretary.

44, GRESHAM STREET,

LONDON, E.C.,

29*th November*, 1880.

THE

Edison Telephone Company of London,

LIMITED.

REPORT OF THE DIRECTORS

AND

BALANCE SHEET,

To 31st October, 1880.

NOTICE IS HEREBY GIVEN, that the Second Ordinary General Meeting of the Shareholders of the Edison Telephone Company of London, Limited, will be held at the Offices of the Company, 44, Gresham Street, in the City of London, on Wednesday, the fifteenth day of December next, at Two o'clock in the Afternoon precisely.

ARNOLD WHITE,
Secretary.

44, GRESHAM STREET,
LONDON, E.C.,
29*th November*, 1880.

REPORT OF THE DIRECTORS

OF THE

Edison Telephone Company of London, Limited.

The Shareholders have already been made aware of the circumstances which rendered it expedient to unite the interests of this Company with those of the Telephone Company, Limited. The amalgamation was carried into effect as from the 1st May last, and the adjustment of accounts between the respective Companies is now nearly complete.

Your Directors have, since the date of the last General Meeting, sold to the United Telephone Company, Limited, for the sum of £5,000, the property and plant of the Edison Telephone Company of Glasgow, Limited, which the Company had acquired under Agreement with Mr. Edison, dated the 18th August, 1880.

Your Directors, feeling that this Company's interests were identical with those of the United Telephone Company, Limited, considered that it would be unwise to maintain, in the West of Scotland, a competition which had ceased in other parts of the United Kingdom; and they have conceded to the United Telephone Company, Limited, more favorable terms than, under other circumstances, would have been granted.

Negotiations were opened with Mr. Edison with the view of securing his assent to the immediate liquidation of this Company, so as to save the expenses necessarily attendant upon keeping the Company in existence for the sole purpose of distributing the dividends to be received upon the shares in the United Telephone Company, Limited, belonging to this Company. The Board regret to state that their efforts to arrive at a satisfactory settlement have hitherto failed of success. It appears to your Directors that all Mr. Edison can claim is an assessment of his interests based upon the various Agreements now subsisting between himself and the Company, and that the Board have no power, nor have any majority of the Shareholders the power, of giving him more than is thus stipulated. With this view, however, Mr. Edison and his representative do not appear to concur, and the question now rests in suspense till this preliminary impediment is overcome.

The Balance Sheet of the Company, made up to the 31st October, is annexed.

Sir Philip Wodehouse retires as one of the original Directors under the Articles of Association, and offers himself for re-election.

Mr. Edwin Waterhouse, the Auditor, also retires and offers himself for re-election.

E. P. BOUVERIE,
Chairman.

ARNOLD WHITE,
Secretary.

THE EDISON TELEPHONE COMPANY OF LONDON, LIMITED.

BALANCE SHEET. 31st October, 1880.

Dr.

	£ s. d.	£ s. d.
To Nominal Capital, 2,000 Shares of £100 each	200,000 0 0	
Of which there have been issued 550 Shares	55,000 0 0	
Less Uncalled	2,750 0 0	
	52,250 0 0	
Calls in Arrear	510 0 0	
		51,740 0 0
To Loan and Interest		5,041 4 8
To Creditors—		
Open Accounts	1,368 0 6	
Promissory Note to T. A. Edison	5,000 0 0	
		6,368 0 6
To Liquidator of the Edison Telephone Company of Glasgow, for Purchase of Business		17,000 0 0
		80,149 5 2
To Balance—		
Nominal Surplus		84 036 8 1
		£164,185 13 3

Cr.

	£ s. d.	£ s. d.
By Cash—		
At Bank	2,588 3 0	
In hand	283 9 1	
		2,871 12 1
By sundry Debtors		1,417 8 5
By United Telephone Company—		
On General Account	2,896 12 9	
Purchase of Glasgow Business	5,000 0 0	
		7,896 12 9
By Advance to T. A. Edison—		
On Account of Royalties		35,000 0 0
By sundry Shares—		
Edison Telephone Company of Glasgow, £2,000, estimated at ...	2,000 0 0	
United Telephone Company, nominal value	115,000 0 0	
		117,000 0 0
		£164,185 13 3

E. P. BOUVERIE, *Chairman.*

ARNOLD WHITE, *Secretary.*

I have examined the above account with the books and vouchers of the Company, and find it correct.

EDWIN WATERHOUSE, *Auditor.*

44, Gresham Street, E.C.,
14th December, 1880.

T. A. EDISON,

Cable

Menlo Park, N. J., Nov 30th 1880.

1 PM

T A Edison

Johnson want six best Engineers for foreign Salary twenty pounds month from arrival destination bonus 200 formation Company Expenses when travelling three Months trial Send by Inman Carsons order Rose recommends Platty Richards Robins Robertson Huse Stacy

39 London

Gouraud to Edison

Nov 30, 80

1

London
via NY

Dec 30 80
2 20

Edison

Drexels advised

Collect

BDG

Gourand London Dec 30 80
to Edison

Give information
for Johnson

New York
Dec 6th 1880

T. A. Edison Esq

Dear Sir

I understand you are in need of telephone men for Europe I am at present employed by the Metropolitan Telephone & Tel. Co as inspector. Have done all kinds of telephone & telegraph work; if you can do anything for me I refer you to Henry H Pope Genl Supt 97 Bway, hoping to hear from you soon I remain

Yours Very Respy
J. G. Morris
Inspector
Met. Telephone & Tel. Co
923 Bway

Form No. 2.

THE METROPOLITAN TELEPHONE & TELEGRAPH COMPANY,

W. H. FORBES, PRESIDENT.

EXECUTIVE OFFICES,
Western Union Building.
H. W. POPE, Gen'l Supt.

GENERAL OFFICES,
Liberty and Greenwich streets.
GEO. L. WILEY, Asst. Gen'l Supt.

DISTRICT EXCHANGE OFFICES.

38 Whitehall street, N. Y
58 Broadway, N. Y.
35 William street, N. Y.
198 Broadway, N. Y.
82 Nassau street, N. Y.
33 Murray street, N. Y.
348 Canal street, N. Y.

97 Sprlug street, N. Y.
46 East Fourteenth street, N. Y.
923 Broadway, N. Y.
1415 Broadway, N. Y.
Yonkers, N. Y.
Brooklyn, N. Y.
Coney Island.

Jersey City, N. J.
Newark, N. J.
Elizabeth, N. J.
New Brunswick, N. J.
Paterson, N. J.
Orange, N. J.

N. Y. Dec 8th 1880.

Mr. Edison Menlo Park.

Dear Sir

I would respectfully make application for a position. I am informed that you are sending Inspectors to Europe. I am a practical man, having worked with the W. U. Tel Co and the W. Electric Manuf. Co a number of years, am now employed with the M. Tel & Tel Co as Inspector at 198 Bd-way J. G. Ellsworth Manager to whom I refer as to my capabilities. Hoping I may have an early answer

I. remain yours

H. Ehrlich, Inspector

We cannot over estimate the importance of having the document properly completed, and unless the jurat states that it was sworn to, it is not recognised by our Courts of Law and is treated as a nullity -

Yours faithfully,

Renshaw & Renshaw

P.S. Of course you will get the Notary's signature verified by the British Consul in the usual way.

R+R.

Encl.

Ex. Telephone

Renshaw v Renshaw
A Dec 21-80

2, Suffolk Lane,
Cannon Street,
London, E.C. 9th Decr 1880

T. A. Edison Esqre
Menlo Park,
New Jersey, U. S. A.

Dear Sir,

re. Butcher

We enclose Affidavit of documents for you to reswear - The one Mr Renshaw brought back is objected to because the form added by the Notary is informal and does not shew that the Affidavit was ever sworn at all as Mr Renshaw tells us it really was - We have added the proper clause for the Notary's signature for his guidance -

Please swear the Affidavit and return it to us at your earliest convenience

2 Copthall Buildings, Angel Court
London. E.C. Decr. 10th 1880.

Sir,

Having duly notified the Directors of the Edison Telephone Company of London Limited "and each of the Shareholders of my intention to move the following Resolution at the General Meeting of the Company called for the 15th inst, and believing the passing of this Resolution to be of the utmost importance, (this belief being shared by some other Shareholders with whom I have consulted) I therefore beg leave respectfully to urge that you be present personally at the Meeting in order that its import & its bearing upon the future interests of the Company may be clearly understood.

If you cannot attend the Meeting personally, and approve of the object of the resolution, I shall be happy to give effect to your wishes, and for that purpose enclose a proxy form for your signature.

I beg to remind you, however, that proxies must be returned to me not later than noon of Tuesday the 14th inst. in order that they may be duly lodged at the office of the Company twenty four hours before the said Meeting

Proposed Resolution.

"That no Proxy shall be executed nor any vote given
"in respect of the 25,000 shares in the United Telephone
"Company Limited held by the Edison Telephone Coy.
"of London Limited or any of such shares except to
"such person and in such manner respectively as
"the Edison Company may from time to time in
"General Meeting direct.

Yours faithfully
D. Parrish

The Edison Telephone Company of London Limited.

41, Gresham Street, E.C.

London [illegible] 188

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

T. A. Edison Esq

[ENCLOSURE]

The Edison Telephone Company of London, Limited.

I Thomas Alva Edison of Menlo Park, New Jersey U.S. in the County of being a member of the Edison Telephone Company of London Limited, hereby appoint the Right Honourable Edward Pleydell Bouverie or failing him Sir Philip Edmond Wodehouse, K.C.B. (being likewise members of the Company) as my proxy to vote for me and on my behalf as holder of shares, at the General Meeting of the Company to be held on the 15th day of December next, and at any adjournment thereof.

As witness my hand this day of December, 1880.

Know all men by these Presents that I, Thomas Alva Edison of Menlo Park New-Jersey in the United States of America do hereby appoint George Edward Gourand of No. 6 Lombard Street in the city of London England my attorney with full power of substitution and revocation for me and in my name and stead and on my behalf to petition the Queen of the United Kingdom of Great Britain and Ireland for Letters Patent for the United Kingdom of Great Britain and Ireland the Channel Islands and the Isle of Man or any part thereof for any and all inventions of every name kind and nature whatsoever of which I am now or hereafter may be in possession and of which I have been now or hereafter may be the true and first inventor and in my name to sign and execute said petition for Letters Patent as aforesaid also in my name to make and execute any declaration or declarations any provisional or complete specification or specifications or abridgments thereof any drawing or drawings also any notices statements or warrants and any and all documents papers and instruments of every name nature and kind whatsoever that may be required by the laws or Statutes of the Kingdom of Great Britain and Ireland or by any commissioner or other authorized officer thereof or by any properly authorized Rules Regulations or instructions appertaining to Letters Patent or the applying for or procuring of the same and in brief to do and perform in my name any and all matters and things that may be necessary hereafter to take out patents for me and in my name in the said Kingdom of Great Britain and Ireland in as full and ample a manner and with the same force and effect as I might do if I were personally present and personally did all that my said attorney may hereafter do touching or in anywise connected with the subject matter of Letters Patent as aforesaid and I hereby agree to ratify and confirm and by these presents do hereby ratify and confirm all that my said attorney or his substitute shall lawfully do or cause to be done by virtue

hereof including in such confirmation whatsoever shall be done between the time of my death and the fact and time of such death becoming known to my said attorney In Witness whereof I the said Thomas Alva Edison have hereunto set my hand and seal at Menlo Park State of New Jersey United States of America this fourteenth day of December One thousand Eight hundred and eighty

Signed sealed and delivered
by the above named Thomas
Alva Edison in the presence of

State of New Jersey }
County of Middlesex } ss

On this 14th day of December AD 1880 before me personally appeared Thomas Alva Edison to me known to be the individual described in and who executed the above power of Attorney and acknowledged that he executed the same for the purposes therein mentioned As witness my signature and notarial seal the day and year last above written.

S. L. Griffin
Notary
Middlesex County

Know all men by these Presents that We Thomas Alva Edison and Edward H. Johnson both of Menlo Park New Jersey in the United States of America do hereby jointly and severally appoint George Edward Gourand of No. 6 Lombard Street in the city of London England our joint and several attorney with full power of substitution and revocation for us jointly and severally and in our name and stead and on our behalf either jointly or severally or both to petition the Queen of the United Kingdom of Great Britain and Ireland for Letters Patent for the United Kingdom of Great Britain and Ireland the Channel Islands and the Isle of Man or any part thereof for any and all inventions of every name kind and nature whatsoever of which we or either of us jointly or severally are or is now or hereafter may be in possession and of which we jointly or severally or both have been are now or hereafter may be the true and first inventors and in our name either jointly or severally or both to sign and execute said petition for Letters Patent as aforesaid also in our name as aforesaid to make and execute any declaration or declarations any provisional or complete specification or specifications or abridgments thereof or any drawing or drawings also any notices statements or warrants and any and all documents papers and instruments of every name nature and kind whatsoever that may be required by the laws or statutes of the Kingdom of Great Britain and Ireland or by any Commissioner or other authorized officer thereof or by any properly authorized Rules, Regulations or instructions appertaining to Letters Patent or to the applying for or procuring of the same and in brief to do and perform in our names either jointly or severally or both any and all matters and things that may be necessary hereafter to take out patents for us or either of us and in our names either jointly or severally or both as aforesaid in the said Kingdom of Great Britain and Ireland in as full and ample a manner and in the same force and effect as

as we might do if we severally or jointly were personally present and personally did all that our said attorney may hereafter do touching or in any wise connected with the subject matter of Letters Patent as aforesaid and we severally and jointly hereby agree to ratify and confirm and by these presents do severally and jointly hereby ratify and confirm all that our said attorney or his substitute shall lawfully do or cause to be done by virtue hereof including in such confirmation whatsoever shall be done between the time of our several deaths and the fact and time or times of such several deaths becoming known to our said attorney **In witness whereof** we the said Thomas Alva Edison and Edward H Johnson do jointly and severally hereunto set our hands and seals

State of New Jersey }
County of Middlesex } ss

On this 14th day of December A.D. 1880 before me personally appeared Thomas Alva Edison and Edward H Johnson to me known to be the individuals described in and who executed the above power of Attorney and acknowledged that they executed the same for the purposes therein mentioned As witness my signature and notarial seal the day and year last above written

S. L. Griffin
Notary
Middlesex County

Know all men by these Presents that I Edward H. Johnson of Menlo Park New Jersey in the United States of America do hereby appoint George Edward Gourand of No. 6 Lombard Street in the City of London England my attorney with full power of substitution and revocation for me and in my name and stead and my behalf to petition the Queen of the United Kingdom of Great Britain and Ireland for Letters Patent for the United Kingdom of Great Britain and Ireland the Channel Islands and the Isle of Man or any part thereof for any and all inventions of every name kind and nature whatsoever of which I am now or hereafter may be in possession and of which I have been now or hereafter may be the true and first inventor and in my name to sign and execute said petition for Letters Patent as aforesaid also in my name to make and execute any declaration or declarations any provisional or complete specification or specifications or abridgments thereof or any drawing or drawings also any notices statements or warrants and any and all documents papers and instruments of every name nature and kind whatsoever that may be required by the laws or statutes of the Kingdom of Great Britain and Ireland or by any Commissioner or other authorized officer thereof or by any properly authorized Rules. Regulations or Instructions appertaining to Letters Patent or to the applying for or procuring of the same and in brief to do and perform in my name any and all matters and things that may be necessary hereafter to take out patents for me and in my name in the said Kingdom of Great Britain and Ireland in as full and ample a manner and with the same force and effect as I might do if I were personally present and personally did all that my said attorney may hereafter do touching or in any wise connected with the subject matter of Letters Patent as aforesaid and I hereby agree to ratify and confirm and by these presents do hereby ratify and confirm all that my said attorney or his substitute shall lawfully do or cause to be done by virtue hereof including in such confirmation

whatsoever shall be done between the time of my death and the fact and time of such death becoming known to my said attorney

In witness whereof I the said Edward H. Johnson have hereunto set my hand and seal at Menlo Park state of New Jersey United States of America this fourteenth day of December one thousand eight hundred and eighty

Signed sealed and delivered by the above named Edward H. Johnson in the presence of

State of New Jersey
County of Middlesex } ss

On this 14th day of December AD 1880 before me personally appeared Edward H Johnson to me known to be the individual described in and who executed the above power of Attorney and acknowledged that he executed the same for the purposes therein mentioned. As witness my signature and notarial seal the day and year last above written

S. L. Griffin
Notary
Middlesex County

Copies of Powers of Attorney
TAE to GE Howland
E&J " " "
Joint E&J } " " "
TAE }

Not Executed

Dec N 1880 Improvements in Telephones

The Edison Telephone Company of London Limited.

41, Gresham Street, E.C.

London [illegible] 188

Dear Sir

I beg to inform you that [illegible] the Company [illegible] Tuesday the 11th day of January proximo at noon at this Office.

Yours faithfully

[illegible]

Secretary

J. A. Edison Esq.

Cog Telephone

A G Renshaw
no reply

2, Suffolk Lane,
Cannon Street,
London, E.C. 16th Dec. 1880

Dear Sir:

The meeting convened for yesterday was adjourned to the 11th January & meantime negotiations will take place between Mr. Bonneau & myself for the settlement of your claim & the liquidation of the London Company. I have heard of no offer being made since the date of my return - Enclosed is Copy of Directors Report and accounts.

Yours truly
A G Renshaw

T. A. Edison Esqr.
Menlo Park
New Jersey

4, Broad Sanctuary,
Westminster, London, S.W.,
17*th December*, 1880.

TO THE

Shareholders of the United Telephone Company,

LIMITED.

Gentlemen,

1. A requisition has been sent in to the Board of the Company, in legal form, calling upon them to summon an extraordinary General Meeting of the Company, to consider a proposal censuring the method of conducting its affairs.

2. A portion of the Board has, for some time, felt grave misgivings, as to the progress and prospect of the Company, which they are satisfied have been materially injured, by the mode of administration and management of its affairs. Feeling certain that no good could be effected without a thorough change in these respects, the following Resolution was proposed, on the 12th November, 1880, by the Right Hon. E. P. Bouverie, the Deputy-Chairman, and seconded by Viscount Anson :—

"That the present system of managing the Company's affairs is unsatisfactory."

3. To this Resolution the following amendment was moved, seconded, and carried by six Members of the Board against four :—

"That seeing the untiring energy displayed by the Chairman in managing and "developing the business of the Company the Board now tender him their hearty thanks "and approval of all that has been done, and they hope he will continue his exertions for "the benefit of the Company."

4. On a day shortly subsequent, the Board passed the following Resolution, which needs no comment :—

"Resolved that it be an order of the Board that any individual Director requiring "information from the Offices of the Company, or extracts from the books or "accounts, shall first submit in writing his wishes to the Board, in order that "they may determine that such information or extracts can be given without "prejudice to the interests of the Company, or undue interference with the "daily duty of the Officials."

5. The minority of the Board, after full consideration of their position, as jointly responsible towards the Shareholders for the conduct of their affairs, reluctantly arrived at the conclusion, that as they were powerless to enforce their views of what is requisite, their duty could only be properly discharged, by placing the proprietary in possession of the general grounds, on which they took the above course, and by requesting the Shareholders to accept their resignations, should the views entertained by themselves, not be adopted.

6. They accordingly requested the Board to summon a General Meeting of the Shareholders—a request which was declined, after a week's delay, on the 1st of December. Hence the Requisition which has occasioned the forthcoming Meeting of the Company.

7. There is no question whatever of conflicting interests between the two Companies (Bell and Edison), which have been amalgamated—their common object and interests are absolutely the same—and one of ourselves (Lt. Colonel Webber, R.E.), was acting as Managing Director of the Bell Company, for two months, before the amalgamation.

8. The business of the Board, on behalf of the Company, was to develop, as rapidly as possible, the use of the marvellous inventions, for which it possesses the Patent rights.

9. In London, this involved the careful organization of a considerable working staff, engaged in obtaining way leaves, erecting lines, and fixing instruments, the establishing new centres of exchange, at appropriate points, in the various districts of London, and its vicinity, with active and constant supervision to ensure good work, including a series of precautionary measures against accidents, which might, at any time, prove of a serious, if not fatal, character.

10. It also required a system of constant watchful administration, at the Head Office, over the large expenditure involved—a technical check on the quantity and quality of the apparatus, and stores supplied—and a skilled supervision of the working of the switch rooms, and the due maintenance of the system, as it came into operation.

11. In the Provinces, it was requisite to organise, as rapidly as possible, in connection with the parent Company, either local Companies interested in the development of the enterprise, or subsidiary provincial staffs, which should carry out, under due inspection, the same operations, as are above described.

12. As to the whole of this, whether in Town or Country, it may be stated, that scarcely anything material has been done, during the five months which have elapsed, since the commencement of the united Company.

13. In London, the increase in the number of subscribers in four months was less than 100, and the total increase since the 1st June is under 230. The number of Subscribers connected to the two systems when they became united on the 2nd of June was 575.

14. To such an extent has the successful working of the Company's Metropolitan exchanges deteriorated, that the use of the wires by customers has been largely discontinued. The average recourse to each exchange wire, in London, of the Bell and Edison Companies respectively was, at the time of their union, from five to ten per diem. In October, although the facilities of communication afforded by the amalgamation of the systems were doubled, the use of the United system fell to 2½ per wire per diem. It is this daily use of each wire which is the true test of the utility to its customers of the Telephone Exchange. There has been no substantial addition to the number of Exchange Offices, with business, in the metropolis.

15. The stream of complaints from customers has been constant and increasing, and instead of each subscriber becoming practically an advertiser of the system, by a report of its advantages to his friends, it is within our knowledge, that their complaints have deterred others from joining.

16. Advertising has absolutely ceased, and canvassing for fresh subscribers has been reduced to a minimum. The switch rooms, instead of being uniformly conducted on the most approved system adopted in America, which was recognised and ordered to be adopted by the Board in June, have been left in a state of confusion.

17. The Finances of the Company have been greatly encroached upon, by the necessarily wasteful character of an expenditure not duly overlooked, and not previously calculated with a view to extend proportionately the business of the Company since the union. Since the 1st July, 1880--the date on which the expenditure of the Bell & Edison Companies as the United Company actually commenced, the disbursements amount to £29,976 to the end of October, exclusive of £17,500 paid to Mr. Crossley for his patent rights.

18. The minority believe these results to be due to the total want of a good system of administration and management, and to the absence of any settled policy to guide the conduct of the Company's affairs. The daily business is one, which can only be properly conducted by able, energetic and skilled management, with a duly organized staff, supervised by the Board ; — manager there is none ; organized staff there is none ; skilled supervision there is none.

19. The minority have therefore resolved, that they will not share any longer the responsibility for the present system with the gentlemen who have formally expressed their hearty approval of all that has been done, and who seem to be unconscious whither this method of administration is leading them.

20. There are other matters of grave importance, affecting the interests of the Company which will be laid before the Extraordinary General Meeting of the Company, which has been summoned at the instance of the undersigned, and we earnestly request that you will personally attend the meeting. Should you be unable to attend the meeting in person we shall send a form of Proxy to you when the day of meeting is fixed, which you can fill up and return to the above address, if you agree with the undersigned, that in view of the facts that have been stated above, a change is required in the management of the Company.

We are, GENTLEMEN,

Your faithful Servants,

E. P. BOUVERIE.
C. E. WEBBER.
ANSON.
W. P. BOUVERIE.

36, Coleman Street, London, E.C.,
23rd December, 1880.

To the Shareholders of

THE UNITED TELEPHONE COMPANY, LIMITED.

Gentlemen,

We send herewith notice of an Extraordinary General Meeting for the 13th of January, 1881.

Referring to the Circular addressed to you by four of the Directors, dated the 17th inst., we think it better to defer answering the statements therein contained until the Meeting, when the whole subject will be fully gone into.

Meanwhile we confidently appeal to you to withhold your judgment, and to accept our assurance that to each and all of these statements a satisfactory answer will be forthcoming.

It is but fitting to add that our aggregate holding in the Company in our own right, apart from the large holdings of our friends, is £37,210, and that of another Director who is abroad, but who is known to concur with us in our views, is £2,600, whilst the total amount held by the four dissentient Directors is £4,650 only.

We urge the personal attendance of every Shareholder at the Meeting; but to provide for the case of those who cannot attend, the enclosed Proxy is sent, which must be deposited at the Company's Office at least forty-eight hours before the Meeting.

We are, Gentlemen,

Your faithful Servants,

JAMES BRAND,
J. W. BATTEN,
G. B. DEWHURST,
J. STAATS FORBES,
G. E. GOURAUD,
R. H. HOME,
DILLWYN PARRISH,
W. CUTHBERT QUILTER,
JOSEPH B. MORGAN.

The Edison Telephone Company of London,

LIMITED.

NOTICE IS HEREBY GIVEN, That an EXTRAORDINARY GENERAL MEETING of the Shareholders of the EDISON TELEPHONE COMPANY OF LONDON, Limited, will be held at the Offices of the Company, 44, Gresham Street, in the City of London, on Tuesday, the Eleventh day of January next, immediately after the conclusion of the business of the adjourned Ordinary General Meeting of the Company, to be held at noon on that day, in compliance with the following requisition :—

LONDON, *December 16th*, 1880.

To the Directors of

THE EDISON TELEPHONE COMPANY OF LONDON, LIMITED,

44, *Gresham Street, London, E.C.*

We, the undersigned, being Members of the Edison Telephone Company of London, Limited, for the number of Shares set opposite to our respective names hereunder, request you to convene an Extraordinary General Meeting of the Shareholders of the Company with the following object :—

To consider, and, if deemed desirable, to pass a resolution to the effect that no proxy shall be executed nor any vote given in respect of the 23,000 Shares in the United Telephone Company Limited, held by the Edison Telephone Company of London, Limited, or any of such Shares, except to such person and in such manner respectively as the Shareholders of the Edison Company may, from time to time, in General Meeting direct.

(Signed)

D. PARRISH...	...55 Shares.
B. ISAAC ...	... 7 Shares.
F. G. STEWART...	3 Shares.
GEO. RICHARDSON	6 Shares.
GEORGE HOPKINS	13 Shares.

By order,

ARNOLD WHITE,

Secretary.

44, GRESHAM STREET,
LONDON, E.C.
23*rd December*, 1880.

The Edison Telephone Company of London, Limited,

44, Gresham Street, E.C.,

file

London, 23rd *December*, 1880.

Sir,

In view of the approaching Extraordinary Meeting of this Company, of which you have received notice, the Board have to request your perusal of the enclosed circular, addressed to the Shareholders of the United Telephone Company, in which this Company, and yourself individually, have each a large interest. The Shares in the United Telephone Company held for the Edison Company, are practically the only asset of this Company. When the Amalgamation took place, the Board believed that it would lead to the rapid and successful development of the business of the United Company, and generally to greatly extended facilities and convenience of working for all those requiring the use of instruments, as well as to a large increase in the value of the property of the Shareholders. These hopes have been disappointed hitherto, and the cause of that disappointment are to be found explained—as your Board fully believe—in the circular in question.

It is proposed by the Requisitionists who have called for a Meeting of the United Telephone Company, to censure this imperfect and unsuccessful system of administering the affairs of the United Company, in the hope of a change being thus effected in the management, &c. Your Directors fully concurring in the objects of the Requisition, appended the seal of the Company to it.

They wish to state, that three of themselves, who formed part of the minority at the United Company's Board, had the fullest means of knowing, as Members of that Board, what the state of the administration of the Company was; and that these three have no interest whatever except in the prosperity of the two Companies now amalgamated. They also wish to state, that the plain object of the Resolution to be proposed at the Extraordinary Meeting is to tie the hands of your Directors, and prevent them from using their judgment in protecting the only property of the Company from serious injury.

I am, SIR,

Your obedient Servant,

E. P. BOUVERIE,

Chairman.

6, Lombard Street,

London, E.C., *24th December*, 1880.

Sir,

Referring to the circular of the 23rd inst., signed by Mr. Bouverie, I have to state that I do not concur in the views expressed by him for the reasons which I shall be prepared to explain fully at the Extraordinary Meeting.

In the meantime, I think it is desirable that you should have before you the letter of the majority of the Board of the United Telephone Company, Limited, addressed by them to the Shareholders of that Company, and I therefore enclose you a copy.

Yours truly,

G. E. GOURAUD.

Law Office of

Chamberlain, Carter & Eaton,

346 Broadway,

Daniel H. Chamberlain.
Walter S. Carter.
Sherburne Blake Eaton.
William B. Hornblower.
Eugene H. Lewis.

New York, Dec. 28th 1880.

file

T. A. Edison, Esq.

Dear Sir:-

The Powers of Attorney for the English Patents proposed to be executed by you, and by Mr. Johnson for the use of Col. Gouraud, were sent by myself to you last week. Mr. Griffin telegraphed me that you wished to submit them to Mr. Doren. Last Friday I called upon Mr. Doren to ask him to pass upon them, in order that they might be executed and sent abroad. Mr. Doren told me the papers were mislaid; whereupon I made and sent the same to Mr. Doren. If you will now kindly instruct Mr. Doren what you wish him to do with reference to the papers. He can use my copies and after his criticisms are made, such changes can be made as may be necessary, and I will then have the Powers of Attorney rewritten to be sent to you for execution. Will you please, therefore, notify Mr. Doren what you desire from him in the premises and I will see that Mr. Doren is supplied with a copy of the original papers which were sent to you, and which now appear to have been mislaid.

Regretting that I put you to so much trouble in this matter, I beg to remain,

Very truly yours,

S. B. Eaton

G.W.W.

Know all men by these Presents, that I Thomas Alva Edison, of Menlo Park in the State of New Jersey, United States of America, have made constituted and appointed and by these Presents do make constitute and appoint George Edward Gouraud of No 6 Lombard Street in the City of London England my true and lawful Attorney for me and in my name place and stead to apply for and obtain Letters Patent in the United Kingdom of Great Britain and Ireland as a communication from me, for any and all inventions which I have made or may hereafter make for Improvements in Telephones and apparatus connected therewith and Circuits therefor, hereby giving and granting unto my said Attorney full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in and about the premises as fully to all intents and purposes as I might or could do if personally present, hereby ratifying and confirming all that my said Attorney shall lawfully do or cause to be done by virtue hereof, hereby retaining the right and authority to revoke these Presents. In witness whereof I the said Thomas Alva Edison have hereunto set my hand and seal this 31st day of December A D 1880

(Signed) T. A. E.

Signed & delivered by the said Thomas Alva Edison in the presence of

Otto A Moses

(Signed) Wm Carman

Notarial cert & Brit Consulo cert annexed -

Power of Attorney
T. A. Edison
G E Gourand

as to Telephone improvements

Dec 31. 1880

This also serves as a copy of a joint Power of Atty from T. A. E. & E H Johnson to G. E. Gourand, and also as a copy of a Power of Atty from E. H. Johnson to G. E. Gourand executed and bearing the same date Dec 31. 80

T. A. EDISON,

Menlo Park, N. J., 1880.

Rt. Hon E. P. Bouverie

Dear Sir: I am in receipt of your various official & personal ~~letters~~ Communications at the hands of Mr Johnson and beg to tender my thanks for the expressions of confidence in me therein contained. Such confidence combined with the interest which Mr Johnson assures me you & your associates take in my personal repute ~~to~~ renders it doubly repugnant to me to have to deny you my presence in England just now.

Mr Johnson will explain to you the utter impossibility of my absenting myself for so long a time from the Laboratory at the present

stage of my Electric
Light Development.
Such absence would be
paramount to an
abandonment of the
Stronghold in the face of
an Eager & aggressive
Enemy.
I have supplied Mr Johnson
with such papers, models,
& information as I am
able to hastily collect.
I am quite satisfied that
you have an impregnable
position in the matter of
the disclaimer & that you
have skillfully managed
the proceedings thus far
taken. I cannot of course
but regret with you that
my Patents were not
more carefully drawn.
In re to the Post Office
Contest I fear I could

T. A. EDISON,

Menlo Park, N. J., 1880.

not lend you material
assistance as it appears
to me to be a question
of law pure & simple
As to the personal Element
inspiring the pursuit of
the Edison Company by
Orton & associates I think
you have taken exactly the
right position; a bold and
straightforward ~~course~~ onslaught is
precisely what they cannot
survive; I am heartily in
favor of such a course
as opposed to bargaining
of any sort.
Mr Johnson will convey my
further views, as well as my
thanks to your associates
individually for your
support of the Edison
Telephone in England.
Very truly yours
Edison

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.
London 18

MANAGER & SECRETARY.
ARNOLD WHITE.

My Dr Edison

I forgot to enclose this correspondence —

At an interview yesterday Gouraud told Waterhouse that I had acted disgracefully & very dishonorably &c. Waterhouse - who is the soul of honor - replied that he had watched me closely & was quite familiar with all my actions & thoughts & "I am utterly unable to place my finger on a single word or action of his that can in any sense be construed as dishonorable or as springing from a motive of selfishness. He seems to be singularly free from personal considerations" & Gouraud then said "He owes me

The Edison Telephone Company of London Limited.
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.

MANAGER & SECRETARY.
ARNOLD WHITE.

London 18

Everything - "I took him out of the Gutters of New York. I have loaned him money which he owes me to this day" - &c &c
What do you think of that?
The money he refers to is a certain loan he once made me (in aug. novelty 60 days) of 30 $ on a 56 share certificate of Colorado Land Co stock. Which is today at a premium of 25% - worth 4 times the amount loaned me on it. This is the only penny he ever loaned me in his life
Yet he "Took me out of the Gutters of New York" -

Heartily yours

E. H. Johnson

The Edison Telephone Company of London, Limited.
Mansion House Chambers,
Rooms No. 113.
11, Queen Victoria Street, E.C.
London, 18

MANAGER & SECRETARY
ARNOLD WHITE

My dear Edison

Topics multiply –

I have a little scrip – written on the margin of a newspaper reading "I will give you 10% of what I get from the Western Union for the Electro Motograph"

Now does it pan out under the sale as reported by the New York Herald? Eh – What do you say

Yr.

(To be dated the same day as the Deed of Trust)

To A. G. Renshaw, Esqre
2, Suffolk Lane,
Cannon Street,
London. E. C.

Dear Sir,

Referring to the Deed of Trust which I have this day signed, and under which you are appointed a Trustee of all the benefits and property coming to me under the Agreement dated the day of 1880 between myself and the Edison Telephone Company of London Limited, I hereby request & authorise you to issue Certificates of interest under that Trust Deed to the following gentlemen, being all the parties at present interested through or with me under such agreement.

Name	Address	Proportion of Interest
T. A. Edison	Menlo Park, New Jersey, U.S.A.	
G. E. Gouraud	6 Lombard Street London	19/40
E. H. Johnson	11 Queen Victoria Street "	2/40

To all to whom these Presents shall come I Thomas Alva Edison of Menlo Park New Jersey in the United States of America Gentleman send Greeting Whereas I am under certain terms of agreement with the Edison Telephone Company Limited of Queen Victoria Street London England which are expressed in a certain formal agreement dated on or about the fourteenth day of July One thousand eight hundred and seventy nine and in a certain subsequent supplementary agreement And whereas by deed or letter of attorney dated on or about the day of One thousand eight hundred and I appointed George Edward Gowrand my representative in England generally and my attorney for the purposes and with the powers and authorities expressed in the said deed or letter of attorney And whereas I have lately revoked the said last recited power and all powers and authorities given by me to the said George Edward Gowrand and am desirous of constituting Edward Hibberd Johnson my attorney in his place in manner hereinafter mentioned Now therefore these presents witness that I the said Thomas Alva Edison do hereby appoint the said Edward Hibberd Johnson of No. 11 Queen Victoria Street London Gentleman to be my representative in England and my attorney for me and in my name or in his own name and with all the powers and authorities hitherto conferred by the said recited Deed or Letter of attorney on the said George Edward Gowrand and particularly with power to negotiate with the said Edison Telephone

Company on my behalf in respect of my subsisting agreements with it and for any variation thereof and generally to represent me in reference to the same and for any of the purposes thereby (or) contemplated as fully and effectually as if I were personally present - And to enter into conduct and conclude any other negotiation contract compromise or arrangement in relation to the matters or things aforesaid which to my said attorney in his discretion shall seem proper and expedient In witness whereof I have hereunder set my hand and seal this day of One thousand eight hundred and eighty.

Signed sealed and delivered by the said Thomas Alva Edison in the presence of

To all to whom these Presents shall come Thomas Alva Edison of Menlo Park New Jersey United States of America Esquire send Greeting. Whereas by a certain Power of Attorney under my hand and seal dated the day of One thousand eight hundred and or thereabouts I appointed George Edward Gouraud of Lombard Street London England my Attorney for various purposes therein set forth Now Know ye that I the said Thomas Alva Edison do by these presents absolutely revoke and make void the said power of Attorney or any other Power of Attorney under which he may now be acting for me and every power and authority expressed to be thereby given In witness whereof I have hereunder set my hand and seal this day of One thousand eight hundred and eighty.—

Signed sealed and delivered by the said Thomas Alva Edison in the presence of

THE

EDISON TELEPHONE COMPANY OF LONDON,

LIMITED.

I, Thos Alva Edison of Menlo Park, New Jersey U.S.A.

in the County of , being

a Member of the EDISON TELEPHONE COMPANY OF LONDON, LIMITED, hereby

appoint Sidney Parrish of 2 Copthall Bldgs. Angel Ct. London E.C. and George Hopkins Civil Engineer, 20 Parliament St. Westminster

(being likewise a Member of the Company) as my proxy to vote for me & on my behalf as holder of Shares, at the General Meeting of the Company to be held on the 15th day of December next, and at any adjournment thereof.

As witness my hand this day of , 1880.

Dated 1880.

Mr T. A. Edison

to

Mr George Newington

Agreement

for Sale of Patents and Patent rights in Telephones in certain foreign countries.

The Foreign General Telephone Supply and Maintenance Company Limited.

An Agreement made this 11 day of One thousand eight hundred and eighty Between Thomas Alva Edison of Menlo Park Middlesex County State of New Jersey United States of America hereinafter called "the Vendor" of the one part and George Mewington of Cotone Road East Dulwich in the County of Surrey Gentleman as trustee for and on behalf of a projected Company intended to be called the Foreign General Telephone Supply and Maintenance Company Limited of the other part.

Whereas the said Thomas Alva Edison is the inventor of certain inventions for and in relation to instruments commonly called Telephones in respect of which he is now entitled to a patent or patent rights for the Empire of India and is applying to have patents and patent rights or authorities in lieu of patent rights for and within the other countries mentioned in the Schedule hereto granted or issued to him And whereas a Company with liability limited by shares to be incorporated in Conformity with the Companies Acts 1862 1867 and 1877 under the name of the Foreign General Telephone Supply and Maintenance Company Limited hereinafter referred to as the said Company and to possess a nominal capital of not less than One million pounds divided into One hundred thousand shares of Ten pounds each has been projected and it is intended that one of the objects of the said Company to be specified in the memorandum of Association thereof shall in effect be the acquiring working using and dealing with the said inventions patents and patent rights and authorities for and within the countries aforesaid and the working and using the said inventions for and within the Republic of Switzerland the Kingdom

of Holland or any other of the said scheduled Countries in which protection is not granted to Inventors —

Now these presents Witness and it is hereby agreed as follows: —

1. The said Company shall forthwith be formed and be duly registered in Conformity with the said Act of Parliament with such memorandum and Articles of Association as shall contain nothing at variance with these presents and if such Company shall by their Memorandum or Articles of Association or otherwise signify their assent to or adoption of these presents then and thereforward these presents (except the last clause hereof) shall in all respects and to all purposes be read construed and take effect as if the same had been duly entered into by the said Company after the incorporation thereof and as if the name of the said Company after the incorporation thereof had been inserted herein in the place of the word George Mennington —

2. The said Vendor shall sell and the said Company shall purchase at the price hereinafter mentioned the sole and exclusive right to use and exercise the said inventions for and within the Countries specified in the said Schedule hereto and all and singular the said Patents and Patent rights or authorities for the Empire of India and such other Countries as aforesaid and he shall endeavour to obtain patents or patent rights or authorities for the said inventions for and within the said Countries specified in the said Schedule so soon as reasonably practicable and at his own expense —

3. The price or consideration for the said property hereby contracted to be sold shall be the sum of twenty thousand pounds cash and shares of the said Company of such a nominal amount or value as shall from time to time and at all times be equivalent to and fourth part of the nominal amount or value of the whole Capital of the Company for the time being issued all shares

to be issued as part of the said price or consideration shall be deemed and taken to be fully paid up shares and shall be issued to or in the name or names of the said Thomas Alva Edison or his nominee or nominees in such proportions as the said Thomas Alva Edison shall require.

4. The said Thomas Alva Edison and all other necessary parties (if any) shall upon payment of the whole of the said sum of Twenty Thousand pounds and the issue to him or his nominee or nominees of one fourth of the first issue of shares in the said Company (such first issue not to be of less than twenty thousand shares in the whole) execute all necessary and effectual assignments and assurances of such of the said patents and patent rights according to the laws of the respective countries or Governments granting or issuing the same as shall then have been obtained and covenant to effectually assign such of them as shall not then have been obtained so soon as practicable after they shall have been obtained if the laws of the Countries shall admit of such assignment unto the said Company or as they may require or if the said Company shall so desire the said Thomas Alva Edison shall execute a proper instrument or proper instruments for declaring that he holds the said patent or patent rights or any of them in trust for the said Company and their assigns absolutely and shall do and execute or procure to be done and executed all such other things and instruments (if any) as may be requisite or expedient for effectuating and perfecting such assurances and declarations of trust as aforesaid and otherwise for absolutely vesting all and singular the said patents and patent rights in the said Company either lawfully or equitably as they may desire.

5. The Company shall be entitled without further payment to all extensions of the said patents and patent rights or any of them and to all improvements upon the said inventions or the application of the same which

may be made by the said Thomas Alva Edison during the continuance of the said patents and patent rights or any of them.

6. The said Thomas Alva Edison during the continuance of the said patents and patent rights or any of them or after such patent rights have ceased during the time he personally holds not less than One thousand shares in the Company be a Director or have the power to nominate a Director (proposing the qualifications required by each of the other Directors) who shall be an ex-officio member of all executive Committees of the Board. The Director so nominated may by a power of Attorney appoint any other person possessing the said qualifications to act in his stead as Director in case of his absence from the meetings of the Board of Directors or any Executive Committee and the person so appointed shall in case of such absence have all the powers of the Director nominated by the said Thomas Alva Edison.

7. The said Thomas Alva Edison and the said Company shall at the expense of the said Company enter into and execute all such further deeds and agreements as may be necessary to give full effect to the provisions of these presents and any point in difference as to what shall be contained in such further deeds and agreements or in reference to carrying out of any of the Clauses of these presents shall be referred to the decision of two impartial persons to be appointed in the usual way and their umpire.

8 The said George Newington is nominated as a party to these presents only as a Trustee for the said Company and not in his individual capacity in any respect and he is not intended to and shall not incur any personal or other liability whatsoever by reason of his being a party to and concurring in and

executing these presents whether the said Company shall or shall not be formed or shall or shall not assent to or adopt these presents.

As witness the hands of the parties.

The Schedule above referred to.

The Countries of India, Norway, Sweden, Denmark, Portugal, Egypt, The British Possessions in South Africa, Turkey, Brazil, The Argentine Republic, Ecuador, China, New Zealand, Switzerland and Holl

Witness to the signature
of Thomas Alva Edison
S. L. Griffin

T.A.E.

Dated 1880

Mr. T. A. Edison

to.

Mr. A. G. Renshaw

Assignment

of the Interests of Mr T. A Edison under his Agreement with the Edison Telephone Company of London Limited upon trust

To be dated the day within the date of the Deed Engrossed

This Indenture made the day of One thousand eight hundred and eighty

Between Thomas Alva Edison of Menlo Parks Middlesex County New Jersey United States of America of the one part and Alfred George Renshaw of No 2 Suffolk Lane London E.C. of the other part

Whereas by an Agreement dated the day of One thousand eight hundred and eighty and made between the said Thomas Alva Edison of the one part and the Edison Telephone Company of London Limited (hereinafter called "the said Company") of the other part after reciting various Agreements in relation to patents granted to the said Thomas Alva Edison and therein specified or referred to and the payment to him by the said Company of the sum of Five thousand pounds on the second of August One thousand eight hundred and seventy nine and the sum of Ten thousand pounds on the twenty fourth of November One thousand eight hundred and seventy nine it was for the purpose therein mentioned agreed (Clause 1) that the consideration to be paid by the said Company to the said Thomas Alva Edison for the said patents should be a royalty during the continuance of the said patents or of any patent for any substantial improvements of a sum equal to the amount of dividend actually divided between the Shareholders of the said Company in any year after payment to them of a dividend at the rate of five pounds per centum per annum And that the royalty should be payable yearly at the same time that the only or the case might be the last payment for the same year in respect of such dividend was paid Provided that no royalty should become due or be paid or under the provisions of Clause 2 be credited in any year until after a dividend at the rate of five pounds per centum per annum on the Capital for the time being actually paid up should have been paid in such year and also such further dividend as should be necessary to make up the deficiency of such dividend in any prior year or years And (Clause 2) that the said Company should pay to the said Thomas Alva Edison the further sum of Ten thousand pounds by way of further advance on account of the payments contemplated in Clause 1 by means of the Promissory Notes therein specified on the thirteenth of June One thousand eight hundred and eighty and the thirty first of December One thousand eight hundred and eighty And that no further sum in respect of the said royalty should be paid by the said Company to the said Thomas Alva Edison until the said royalty should have made up the said sums of Five thousand pounds Ten thousand pounds and Ten thousand pounds with interest computed from the days of payment thereof respectively at the rate of five pounds per centum per annum on the said sum of Five thousand pounds Ten thousand pounds and Ten thousand pounds or on such part thereof as on the first of January in each year should not have been made up

And (Clause 6) that in the event of such amalgamation as therein mentioned taking place between the said Company and the Edison Telephone Company of Glasgow limited the sum of Ten thousand pounds paid by the Glasgow Company to the said Thomas Alva Edison by way of advanced royalty should be deemed and taken as a further payment by the said Company by way of advanced royalty and all the provisions of Clause 2 should extend and apply to that sum as well as to the said sums of Five thousand pounds Ten thousand pounds and Ten thousand pounds therein mentioned And Whereas George Edward Gouraud and other persons have become and are interested through or under the said Thomas Alva Edison and together with him in various shares in the royalty and further advance of Ten thousand pounds and all other (if any) the monies interests benefits and advantages to which the said Thomas Alva Edison is or may be entitled by virtue of the said Agreement of the day of One thousand eight hundred and eighty all which are hereinafter referred to by and included in the term "the said benefits" And whereas for the sake of convenience it is considered expedient that the said benefits should be assigned to a trustee to be held and disposed of by him in trust for the said Thomas Alva Edison and the said George Edward Gouraud and such other persons as referred in the proportions and manner and with and subject to the powers and provisions hereinafter declared and contained Now this Indenture witnesseth that in consideration of the premises the said Thomas Alva Edison doth hereby assign the said benefits And all his right title claim and demand of to and upon the same and every part thereof unto the said Alfred George Renshaw his executors administrators and assigns And for the better and more effectually receiving the said benefits the said Thomas Alva Edison doth hereby appoint the said Alfred George Renshaw his executors administrators and assigns the Attorney or Attorneys of him the said Thomas Alva Edison in his name or otherwise to require enforce and receive payment delivery and assignment of the said benefits and every of them and every part thereof of and from the said Company or any other Company Corporation person or persons who may be or become liable to pay deliver or assign the same respectively and to give effectual receipts and discharges for the same respectively and to sign the name of the said Thomas Alva Edison to every or any deed document or instrument the signing whereof in relation to or connexion with the premises shall be necessary or convenient and generally to do or cause to be done all things necessary or convenient in or about the premises as effectually as the said Thomas Alva Edison could have done if these presents had not

been executed And it is hereby agreed and declared That the said Alfred George Renshaw his executors administrators and assigns or other the Trustee or Trustees for the time being of these presents shall stand possessed of the said benefits and premises In trust for the person or persons now or for the time being interested therein and in the shares and proportions inter se in which he or they shall for the time being be so interested and to be disposed of as he or they shall direct But so that no person or persons shall be recognised as having or having any interest therein except a person or persons holding a Certificate or Certificates signed by the Trustee or Trustees for the time being of his or their interest and of the share and proportion thereof And also signed by such person or persons in token of his or their assent to the trusts powers and provisions of these presents or except persons claiming through him or them by bequest representation or assignment the particulars of which shall have been formally notified in writing to the Trustee or Trustees for the time being And it is hereby further agreed and declared as follows:-

1. If and whenever any question shall arise with respect to the notification or allocation of the said Agreement of the day of One thousand eight hundred and eighty, or of any Agreement which may have been previously entered into for modifying and altering the same or otherwise with respect to the relations duties or liabilities between the said Company and the said Thomas Alva Edison or all or any of the holders of the said Certificates such question shall so far as regards the interests of the holders of the said Certificates be arranged or settled in such manner in all respects as the holders for the time being of the said Certificates shall by a majority of at least two thirds of such holders voting in person or by proxy in proportion to their respective shares in the said benefits direct and approve of And after such direction or approval it shall be the duty of the said Trustee or Trustees and he and they is and are hereby fully empowered to arrange and settle the same accordingly And every such arrangement or settlement shall be binding and conclusive upon all the holders of the said Certificates.

2. The Trustee or Trustees shall at all times keep a Book and therein record the particulars of all Certificates granted by him or them and of all bequests representations or assignments duly notified to them as aforesaid And such book shall at all reasonable times be open to the inspection of any holder of a Certificate or his duly authorised Agent.

3. The Trustee or Trustees shall reimburse himself or themselves or pay and discharge out of the trust premises all expenses incurred in or about the execution of the trusts or powers of these presents

The trustee or trustees shall also from time to time be remunerated for his or their trouble and time by payment out of the trust premises or otherwise of such sums as any such majority of the holders of the said certificates voting as aforesaid shall think fit and any such payment out of the said trust premises shall be binding and conclusive upon all holders of certificates -

The said Alfred George Renshaw and every future trustee who shall be a solicitor may by himself or his firm act as solicitor to the trust premises and to the trustee or trustees for the time being and shall be entitled to charge and shall be paid for business done by him as a solicitor in respect of the trust premises in the same manner as if he had not been a trustee -

4 No trustee or trustees shall be answerable or accountable except only for his or their own personal acts receipts neglects or defaults or shall be liable for any banker solicitor or other person with whom or into whose hands any trust premises may be deposited or come or for any loss incurred in transmission through the post or otherwise or for any other involuntary losses -

5 In case of the death or desire to be discharged or refusal or unfitness or the incapacity to act of the said Alfred George Renshaw or any other trustee or trustees the executors or executor administrators or administrator of the trustee so dying desiring to be discharged refusing or becoming unfit or incapable to act shall appoint a new trustee of these presents in his place -

6. All or any of the powers or provisions herein contained may be altered or modified and substitutional or new or additional powers or provisions applicable to these presents and the subject matter hereof may be declared by any such majority of the holders of the said certificates voting as aforesaid and shall be as binding and conclusive upon all the holders of the said certificates as if the same were contained in these presents **In witness** whereof the said parties to these presents have hereunto set their hands and seals the day and year first above written

Signed sealed and delivered by the above named

T. A. E.

(to be executed by Mr Edison before the British Consul)

Draft

No.

This is to certify that A B.
of is entitled to one equal
share of and in the benefits and property, comprised
in an Indenture dated the of 1880
and made between J. A. E. of the one part and
A. G. R of the other part, and thereby vested in the
said A. G. R. upon trust for the holders of such
Certificates as therein mentioned of which this Certificate
is one -

Dated this day of 188

(Signed by Trustee)

Signed by said A B in token
of his assent to the trusts powers
and provisions of the above mentioned
Indenture this of
1880 in the presence of-

A B.

Note. Every person claiming to be entitled to the
benefit of this Certificate by bequest representation or
assignment must formally notify in writing his title thereto
to the Trustee or Trustees for the time being of the above
mentioned Indenture before he can be recognised as having or
can have any interest in the said Trust benefit and property-

[ATTACHMENT]

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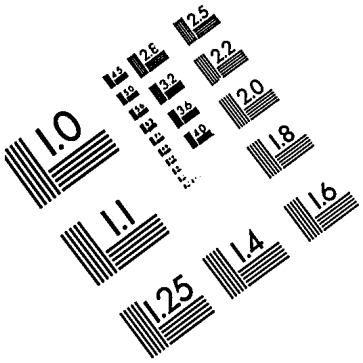

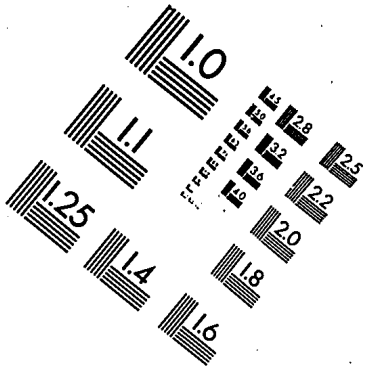

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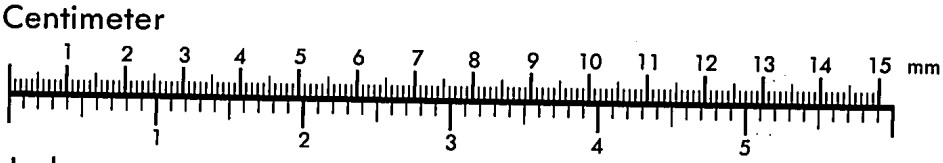

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